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**Missouri**

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**Charter Public School Commission**

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**Organizational Plan**  
**April 13, 2018**

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## Summary

Founded as an agency that is fiercely independent, intentionally lean<sup>1</sup> and passionately public, Missouri Charter Public School Commission's mission is to actively increase the number of high-quality charter public schools in Missouri.

### **The Commission meets its mission by:**

- Selecting quality applications to sponsor;
- Preserving the school's right to operate based on their charter application and subsequent legal agreement;
- Protecting the public's interest; and
- Disseminating best and promising practices to Missouri's public education sector.

### **Over the next five years, the Commission will replace over 10,000<sup>2</sup> poor performing charter and district seats and be self-funded through sponsorship fees by:**

- Sponsoring proven models seeking replication;
- Sponsoring innovative and turnaround models that demonstrate capacity;
- Renewing existing schools previously sponsored by another sponsor; and
- Accepting sponsorship programs from exiting sponsors.

### **Key features and benefits of the Commission's Sponsorship Program**

- Open and public review process - Petitioners enjoy an application process that is open and transparent. Expectations are clear and matched to national best

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<sup>1</sup> The term "lean" refers to the efficiency of our operation and intentionality of our programs; financially prudent, maximizing use of technology and minimizing the number of staff members. The Commission's sponsorship program requires only what is necessary to hold the school accountable to the charter agreement, performance contract and law. Using a "build-measure-learn" model, where early indicators are established to determine the effectiveness and impact of the activity, will inform future iterations of the Commission's sponsorship program and the charter's academics and operations. What we learn will be disseminated to other sponsors, charter schools, districts and the public.

<sup>2</sup> There are nearly 60,000 children enrolled in public schools in St. Louis and Kansas City. Only 19,000 have access to a performing school.

practices. Review and decisions are made in public. Applications are accepted throughout the year and deadlines are for the benefit of the school. The public hearing demonstrates a commitment to stakeholder voices and assures the best match of the school to a community.

The Commission will actively work with communities to issue a Request for Proposal to secure a school that matches the needs and desires of the area.

- Open to all school models - Sponsorship is determined on quality of the application, capacity of the founding team and demonstrated demand for the school. All grades, locations, and models are eligible to apply for sponsorship.
- Sole purpose authorizer - The Commission's expertise, time and attention are directed to authorizing. Commission staff and consultants are experts in charter public schools and stay attuned to sector developments and advancements. There are no competing projects, policies or activities running counter to charter public schools. Applicants are assured their autonomy is protected from interference and over reach.
- Lean authorizing - Accountability is critical for the success of a school, but it must be relevant, meaningful and when possible, agreed upon by the school prior to opening. Charter public schools are assured vigilant restraint against new or growing requirements beyond the charter agreement and performance contract measures, those in the best interest of the public or additions required by law. The Commission actively works with the Missouri Department of Elementary and Secondary Education, Missouri General Assembly and State of Missouri Attorney General to reduce unnecessary reporting and regulatory burden on the schools.

The Commission's sponsorship program adopts up-to-date reporting and document depository technology to minimize reporting time and effort. Early and timely review of data informs the Commission and the schools so necessary course corrections can be made for better outcomes.

The Commission will work with the schools they sponsor throughout the lifespan of the charter to improve our authorizing practices, promote best and promising practices in charter public schools and disseminate failures and lessons learned.

- Quality as a magnet - Performing schools want to associate with other performing schools. The Commission and its schools actively participate in the dissemination of best and promising practices to assure the sector is stronger and children gain

access to quality schools. This commitment to quality necessitates closure of poorly performing schools.

- Part of the charter eco-system – Growing quality charter schools requires the intentional interaction of a variety of organizations. The interactions are designed. Some of the work fuels the growth and takes advantages of opportunities, while other strategies remove barriers and threats. Organizations must develop and adapt to for the eco-system to thrive. Quality sponsorship is an essential element of Missouri’s charter school eco-system.

### **Students Served**

Charter public schools are currently located in the state’s two largest, urban districts. Neither district is accredited. Over half of the students attend district schools performing below state average. Currently, 45% of charter public school students attend a charter public school performing below their district. Nearly 19,000 students are in performing seats, leaving over 40,000 students in low performing public school seats.

### **Financial Projections**

The FY16 and FY17 budgets are stable, with a State appropriation of \$200,000. FY17 will include sponsorship fees from Citizens of the World – Kansas City and are expected to be close to \$30,000. Expenses are expected to be similar, with \$145,000 to salaries and the balance to operations and marketing.

Fees are 1.5% of the per pupil allocation of each LEA in their portfolio, capped at \$147,000, for FY17. A state appropriation is eventually expected to be replaced with generated sponsorship fees. Since schools are of varying sizes and many LEA’s have multiple schools it is difficult to model the breakeven point. At the current per pupil rate, an LEA will reach the cap at 960 students. A 400 student school will generate approximately \$52,000.

## I. Missouri Charter Public School Commission

### Values and Beliefs

We are fiercely independent. Sponsoring charter public schools is our only business. We are not a school district. We do not confer degrees, provide research or professional development. We are not a grant making institution. This sole focus gives MCPSC the unique position to be an advocate for the charter public school sector and to make decisions based on the students, schools and sector. We promote and protect the value of sponsorship work.

We are passionately public. The Commission is a public entity and the schools we sponsor are public. All of our business is conducted in accordance with Missouri Sunshine Laws. The Commission's meetings are publicized and materials made available to all, within the limits of the law. The results of the Commission's portfolio will be posted to the website<sup>3</sup>, with easy to understand graphs, spreadsheets and narratives. Our work is freely shared with anyone. The schools we sponsor are open, transparent, and accessible to all.

We are focused on and committed to quality authorizing. We do not concern ourselves with the size of our portfolio, neither restricting nor agreeing to sponsor schools based on anything other than what is in the best interest of the public. The Commission is clear and consistent about our expectations in our application, review process, compliance and accountability practices and in decisions to renew or revoke. We act purposefully, creating processes that are simple and straightforward, avoiding a bureaucratic, inflexible process of needless hoops. Deadlines are for the benefit of the applicant and the community it plans to serve.

We use best business practices for the best work. Sponsors have a responsibility to assure their work is based on well researched and proven practices of the work of authorizing, to assure a compliance and regulatory environment that drives quality and protects autonomy. Policies and practices of MCPSC derive from the leader in this profession, the National Association of Charter public school Authorizers. NACSA's seminal work, "Principals and Standards for Quality Charter Public School Authorizing"

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<sup>3</sup> [www.mcpsc.mo.gov](http://www.mcpsc.mo.gov)

forms the basis of our sponsorship program. We use technology to ease the reporting burdens on schools and bolster accessibility of information to the public.

We make time for real relationships, because they matter. We know our school boards and leaders. We know the neighborhood and civic leaders in communities wanting and needing high quality public schools. We have a professional and honest relationship with the MODESE and the MOSBOE, with school districts and other sponsors.

Our work is to benefit the charter public school sector and districts alike. We envision a day when all Missouri children have access to a quality public school where they live. We hold great interest in transferring the knowledge learned in charter public school sponsorship to other sponsors and to districts throughout Missouri. Lessons learned, successful strategies and approaches must be disseminated to the sector to inform future innovation, accelerate the growth of quality and inform public policy.

We are open to creating a space where we can innovate together. We desire to partner with school boards, superintendents, universities and MODESE leadership to address particular vexing issues.

### **Approach to Sponsorship**

The Commission's sponsorship program is grounded in three key principals: assure quality, provide autonomy and protect the public's interest.

- We sponsor quality schools. We grant the right to operate a charter public school to educators, entrepreneurs and community members who can demonstrate the capacity and skill to operate high performing schools designed to meet the needs of the children they intend to serve. Because proven outcomes assure the public that the new school will have the greatest chance of success, replication of successful charter public school models or school designs based on research will be the majority of the schools we sponsor.

We are open to entrepreneurs who have demonstrated past successes and who present innovative models. We offer innovators, entrepreneurs and educators the opportunity to create, test new strategies and think differently about the way education is delivered, lead, organized or governed. We see teachers as innovators and we believe quality educators can come from beyond the traditional routes and certification.

Our promise is continuous quality sponsorship. We believe that the sponsorship program impacts the quality of the schools they sponsor. Our policies and practices

are based on current best practices. We are reflective, evaluating the impact of our work on the school, the sector and the community. We listen to the schools we sponsor to improve our practice and actively seek their feedback.

- Our entrusted sponsorship comes with a promise of autonomy for the school. We understand the complexity of the work of sponsors and fight to protect the freedom and self-determination of the schools we sponsor. We actively increase our knowledge of the laws and regulations, stay current on best practices, and listen to our schools. We acknowledge constraints where they exist and fiercely protect our schools from over-regulation.

One way we respect the school's autonomy is by maintaining a clearly articulated and consistent monitoring program. We are clear and direct with the information related to compliance with the charter agreement and performance contract. We create systems and use technology to minimize the burden of demonstrating compliance, so school leaders can focus more on the children than on the paperwork.

We believe that quality can be delivered in different models of schools, with different kinds of leaders and in a variety of settings. We are as eager to read an application from a CMO as we are from a teacher. We are open to applications generated by the community or from operators wishing to open new sites in Missouri. We are interested in application where innovation and turnaround are in any and all aspects of the schools design, governance or operations.

- The public is our first customer and is always present in the work of the Commission. Commission sponsored charter public schools must:

Produce evidence that they are meeting their obligations and are accountable for the promises they made to the student, community and taxpayers.

Requirements are clearly outlined in the charter public school agreement and performance contract. Timely, thorough and accurate reporting is essential. Performance contracts are both aspirations and realistic.

Demonstrate that they are free and open to all children. We believe the children in a charter public school must have access to the services they need to reach their full potential. Children in charter public schools are expected to meet the outcomes the school promises, regardless of their socio-economic status. Charter public school boards are public boards and must conduct their



business in the open, and demonstrate they are, and continue to be, reliable stewards of public funds.

There is no economic or racial litmus test for access to public schools in Missouri and we do not have one in determining what schools we sponsor. We see all children and every community as deserving of great public schools. We also believe that parents have a right to find a “best fit” school for their child and communities have a right to partner with charter public school operators to advance the overall vibrancy of their community.

The Commission works on behalf of the public. We hold the schools we sponsor to the commitments they make to the children and families within their charter application and performance agreements. We operate in the open so that others can see what we do, inform our practice and replicate what works. We eagerly seek the public’s input and encourage their involvement in the charter public school sector.

## II. Commission's Sponsorship Program

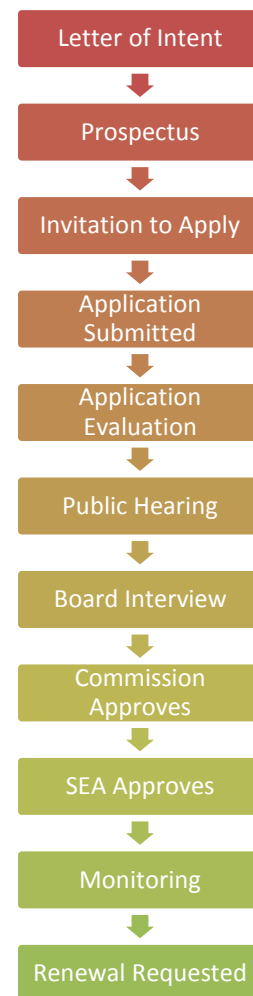
Organizations, community members, educators and parents interested in operating a charter public school apply to the Commission for approval to open a free, public school in a specific school district. The following outlines the steps in our sponsorship program.

### Step 1: Letter of Intent

Applicants submit a Letter of Intent and Prospectus to the Commission to begin their review process. The Letter of Intent indicates whether the proposed school is based on a new or existing design, the school district location, the number of students they plan to serve in the first year and when they have full enrollment, grades served and the anticipated opening date. If the school meets the standards set in the Prospectus, they are invited to apply. The Commission staff meets with the applicant to establish the timeline for subsequent submissions. Applicants are referred to the Missouri Charter Public School Association to take advantage of optional supports and services offered to potential schools throughout their development.

### Step 2: Application and Request for Proposals

Petitioners submit an application that details the education, organization, governance and business plans of the school. The Commission currently uses the Missouri Model Application<sup>4</sup>, developed in conjunction with the National Association of Charter School Authorizers (NACSA). Applicants must provide evidence of capacity of their founding group to govern and manage a public school. A successful application provides data on prior school success or evidence as to why the innovative approach has a likelihood of success. The application must also demonstrate that there is sufficient demand to support this type of school in the community they wish to locate.




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<sup>4</sup> MCPSC is working with MCPSA to revise this application. Scheduled release is May 2016.

The Commission will accept applications throughout the year. Applications are generated through an open Request for Proposals (RFP) issued by the Commission. We actively invite high performing models and networks to open schools in Missouri. The Commission works closely with the Missouri Charter Public School Association, the statewide member and charter sector support organization, as well as other state and national partnering organizations to identify potential applicants. The Commission also encourages existing performing charter public schools in Missouri to open other schools or scale to serve children throughout their K-12 educational experience. The Commission will accept applications from existing charter public schools seeking renewal.

Communities may wish to generate their own RFP and community engagement process to develop or identify a charter public school that meets their particular needs. The Commission may choose to issue a RFP to encourage applications for specific communities or for specific types of schools.

The Commission has a particular interest in applications for turnaround schools and models that focus on high need populations. We seek applications from proven teams willing to replace failing schools. We are eager to read application with well researched models that address students in high-poverty/high-crime communities, students who are over-age/under-credit, or children engaged with the justice system.

### Step 3: Application Evaluation

Once submitted, applications are subject to rigorous evaluation by staff and teams of trained reviewers. We begin by engaging and training local citizens, educators, civic and business leaders as application review teams. They will be joined by specific content experts, as needed. The team will use their individual and collective knowledge, their understanding of the local context and the Commission's application rubric<sup>5</sup> when reviewing the application.

Demonstrated methods to drive high academic outcomes are the most important component of a quality application, but it is not the only one. A clear mission, an articulate educational philosophy, with an aligned organizational culture and school climate are equally important to the success of a school. Financial statements, organization plans and systems are scrutinized to assure that the petitioners have

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<sup>5</sup> The Commission will continue to use the Model Rubric until the new application is competed.

considered the myriad of details required to start and maintain a high performing organization.

Beyond a solid plan, the application must show the capacity of the board to govern, the skills of the school leadership to drive results and reveal the group's ability to attract the necessary talent to meet needs of the children they plan to serve.

The Commission provides feedback to petitioners within 90 days of submission. Applicants will be given an opportunity to supply missing data or materials and respond to any open questions remaining. The intent is to facilitate a strong submission of an application that is in compliance with state statute and the standards of the Commission. This will accelerate the approval by the State Board of Education, if approved by the Commission.

Applicants are provided the opportunity to revise their application, provide additional data or materials or withdraw for future improvement and resubmission. Applicants may go through the review cycle more than once.<sup>6</sup> Applicants that have not provided sufficient documentation or do not meet the standards or statutes may be referred to the Commission with a request to deny.

#### Step 4: Public Hearing

Applications meeting the Commission's standards as outlined in our rubric are granted a public hearing. The Commission requires a hearing as part of the sponsorship review process to offer the public an opportunity to provide support, objections or questions to the Commission concerning pending applications.

To maximize community participation, hearings are scheduled in the evening or on Saturdays and take place in the school district the charter intends to serve. Notice of the hearing is published on the Commission's website. The notice is also distributed widely to local media and through social media. Charter public school applications and supporting documents are made available to the public on the Commission's website and citizens are encouraged to submit written comment, as well.

Members of the Commission open the hearing by inviting the application to make a 15-minute presentation about their potential school. Citizens are invited to provide 2-3 minute testimony in support or opposition. Questions asked by attendees will not be

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<sup>6</sup> Insert policy on number of times

addressed in this setting, but recorded for written responses to be posted on the Commission's website.

#### Step 5: Applicant Interview

Following a public hearing and prior to a staff recommendation to the Commission, applicants are required to participate in public interview. Reviewers, contract services, Commission members and Commission staff are possible members of the interview team. The applicant team must include the charter public school governing board chair and school leader (if identified). The applicant team may also consist of board members, any identified staff, and representatives of the CMO, when applicable. The Commission reserves the right to indicate the number of members on an applicant's team as well as the length of the interview.

The purpose of the interview is to further determine the capacity of the governing group and founding staff, their understanding of their roles and their knowledge of their model. Interviews are public and highly structured, with specific questions relating to the application, the backgrounds of the petitioners and the needs of the community. This interview takes place following the public hearing so that comments and questions presented by the public may be addressed during the interview.

#### Step 6: Commission Decision

Commission staff will provide in writing to the Commissioners a recommendation whether the application should be approved or denied. This recommendation is based on the application, revisions, information gathered through the hearing and at the interview. High quality applicants will be recommended for sponsorships for five years. Approved applicants will receive a letter of sponsorship from the Commission to be included in their submission to the State Board of Education. Application that did not meet state statute or Commission standards will be recommended for denial. Denied applicants may appeal to the State Board of Education.<sup>7</sup>

Sponsored charter public schools are required to have a legal charter agreement that details specific areas of compliance and clearly articulates measurable goals (referred to as the performance contract.) The Commission will work with applicants to negotiate the performance contract aligned to the application, state statute and

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<sup>7</sup> As outlined in Missouri Revised Statutes 160.405.2.(4)

Commission policy. This contract is signed following approval by the State Board of Education.

#### Step 7: State Board of Education Approval

The final application and agreements, with a sponsorship letter from the Commission are submitted to the MOSBOE for approval, as outlined in Missouri's Revised State Statutes. The Department of Elementary and Secondary Education has 60 days to review the application on behalf of the State Board of Education and may offer recommended changes to assure alignment with statute and regulations. Applicants are not required to accept Department recommendations outside of statutory or regulatory requirements.

Applications meeting the statutory and regulatory requirements are placed on an upcoming MOSBOE meeting agenda, with a recommendation by the Department. The MOSBOE may vote to deny a charter public school only if the application fails to meet state statute or comply with department regulations.<sup>8</sup>

#### Step 8: Monitoring and Oversight

Once approved by the State Board of Education, charter public school applicants immediately move from a concept to the "pre-opening" phase. Typically, the board moves from founders to governance, establishing policies, hiring staff and acquiring a permanent location (if not already accomplished.) Student and teacher recruitment quickly follows and if the school is not working with a CMO, it will begin developing curriculum, personnel policies and business systems.

The Commission provides oversight of the charter public school for the duration of the contract. The Commission staff establishes the monitoring plan, submission calendar and creates baseline benchmark documents, matching statutes and the charter agreement. The compliance tracking system is populated with the charter agreement provision, with clear deliverables and due dates.

Throughout the term of the contact, Commission staff examines data and documents on the education, operation and governance of the school and matches the performance of the school to the agreement and goals. The Commission staff report to the Commission any compliance, performance or statute violations.

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<sup>8</sup> RSMo 160.405.3

The Commission, along with MCPSA are “on call” to assist the school with specific supports and resources, connections to the various individuals within MODESE, clarifications on rules and regulations, and addressing any barriers the school faces.

Starting seven months prior to opening, there will be an initial pre-opening meeting with the governing board chair, school leader, any staff the school leader wishes to bring and a representative from the CMO (if applicable). The purpose of this meeting is to walk through the pre-opening plans, establish regular check-in calls and gain clarity on roles, reporting and the conditions necessary to open on time.

Sixty days before opening, a conference call is held to review the progress toward opening school and addressing any concerns. The call will include Commission staff, board members, school leadership, staff (they wish to include) and appropriate representatives from the CMO. Thirty days out, Commission staff will visit the school and meet with the governing board chair, school leader, staff responsible for financial management, operations manager, CMO for a tour and discussion on the school's compliance with all pre-opening requirements. If necessary, a final review of any outstanding documents and requirements will be made one week prior to opening. The Commission reserves the right to hold additional calls/meetings regarding pre-opening, reporting and compliance if deemed necessary.

After opening, a site visit is conducted, and dates for future site visits are scheduled. Monthly, Commission staff review the compliance tracking system and provides feedback to the school when necessary. On time and completeness reports are provided to the Commission at their regular meetings. Annual reports are produced by the sponsor and by the school, and are distributed to Commissioners, board members, staff and parents, and made available to the public on both the Commission and school's websites.

The Commission requires an annual site visit to each sponsored charter public school to assure compliance and hear from board members, staff, students and parents about the condition of the school. Site visit teams are constructed based on the knowledge, skill and expertise necessary to review a school's particular mission, grade configuration and target population. The review teams are assigned to the school during pre-opening (if possible) and stay with the school during the life of the charter agreement with changes to review team members only as necessary. This provides consistency in the review for the school and allows the team to see changes over time.

Charter public school governing boards receive an annual report on compliance from Commission staff. This report matches the performance of the school to the charter agreement. Draft reports are made available to school staff and board for response,

clarification or correction. Final reports are public documents and made available for review on the Commission's website. Any discrepancies or areas of non-compliance must be addressed by the school within the timeline stated.

At the beginning of the fourth (4<sup>th</sup>) year of the charter agreement, the Commission will contract with an independent<sup>9</sup> and experienced charter public school review group to provide a comprehensive review in preparation for the Commission's decision to renew. The 4<sup>th</sup> year review will include an in-depth site visit, financial and operational review, board performance, academic results and parent/student/teacher satisfaction. The review will compare the conditions of the current operations and performance to the provisions of the charter, charter agreement and performance contract.

#### Step 9: Renewal

If the school is performing and compliant with the provisions of its agreement, laws and regulations, the school will be recommended to the Commission for renewal of the charter agreement for an additional 5 years. If the children are not served well by this school, the Commission can mandate intervention or recommended for closure. If during the term of the charter a school materially breaches their charter agreement or if there is a concern for the safety of the children, the Commission can move to closure prior to the end of the agreement.<sup>10</sup>

#### **Dissemination and Advocacy of Best and Promising Practices**

The Commission is committed to sharing best and promising practices, as well as lesson learned generated at the school level and in the authorizing process. This program will be led by the Communication Assistant. In lieu of staff, the Executive Director will manage daily communications, generate the foundation of the Commission's communication efforts and work with MCPSA to develop a dissemination strategy.

The Commission's website is located at <https://mcpsc.mo.gov/>. Social media connections can be found through Facebook ([https://www.facebook.com/MoCPSC?\\_rdr=p](https://www.facebook.com/MoCPSC?_rdr=p)) and Twitter (@MoCPSC.) The Commission's brand management can be found in Appendix E.

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<sup>9</sup> Different from the annual site visit review teams

<sup>10</sup> Missouri State Statute 106.405.8



### III. Charter Sector Analysis

Charter public schools are limited to the two urban areas and to districts that lack state accreditation. A caveat in statute is an accredited school district may sponsor a charter public school in their district. The Commission's growth depends on attracting applicants to fill the need for additional quality seat. This section examines the need in areas where charter public schools are currently allowed by law and what is required to attract or grow quality charter public schools.

#### Eligible Regions

The original Missouri law allowed charter public schools to open in the two urban districts, Kansas City and St. Louis. The law was amended to allow non-district sponsors to open charter public schools in the lowest performing districts, classified as unaccredited or provisionally accredited for three years. That same amendment allowed local school boards of performing districts to sponsor charter public schools in their district. Changes in accreditation status this academic year have reduced the number of eligible districts from 13 to seven school districts.

#### Service Gap in Low Performing Districts

There are 54,000 children enrolled in public schools in districts where charter public schools can currently operate, with nearly 40,000 students performing below grade level.<sup>11</sup> The majority of these students live in the Kansas City and St. Louis districts, where less than 1 in 3 students read on grade level and only 1 in 5 students are on grade level in math. Over 10,000 KCPS students and nearly 17,000 SLPS students lack access to a performing school. Combined, over 70% of the students enrolled the Missouri's two urban districts do not have a performing seat available.

The statistics in the inner ring suburbs are not much different. Only one-third of Hickman Mills' 6200 students are in a performing seat. Riverview Gardens and Normandy enrolls 8600 students, yet 82% do not have access to a performing seat.

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<sup>11</sup> Averaging of Math and English Language performance – district and charter students

District	Students (Proficient/Advanced)			Status
	Total Enrolled	ELA	Math	
		Performing		
Hickman Mills School	6,249	2075	1500	Provisional
Normandy Schools Collaborative	3,481	828	432	Unaccredited
Riverview Gardens School District	5,143	1167	648	Unaccredited
Kansas City Public	14,228	4752	3187	Provisional
St. Louis Public	24,154	8140	5314	Provisional

Nearly half of the 20,000 students enrolled in charter public schools attend a school performing below their district in at least one subject.

Charter Public Schools	Number of Charter public schools			
	Tested grades	MPI $\geq$ MO	MPI $\geq$ MO	Performing < District
Kansas City English MPI	19	4	13	6
Kansas City Math MPI	18	5	9	9
St. Louis English MPI	15	3	10	5
St. Louis Math MPI	15	3	8	8

### Charter Public Schools Supply of Quality Seats

Existing high performing charter public schools will add quality seats in the next few years. Kansas City's existing charter public schools plan to add nearly 2500 additional quality seats, with the potential of an additional 2600 seats, if grades are added. St. Louis will add 3660 seats, with the potential of 150 additional seats, if grades are added. This leaves Kansas City with a gap of 7000 and St. Louis with a gap of 11,300 quality seats. Future analysis must take into consideration the specific grades and locations in demand.<sup>12</sup>

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<sup>12</sup> In 2008, IFF was commissioned to do a study of the need for quality public school seats in St. Louis. The study was updated in 2015. Kauffman Foundation is commissioning a similar study for the Kansas City area to be completed the first half of this year. Both studies, along with district master plans are helpful in guiding the placement of new charter schools.

## Foundations of Charter Public School Development

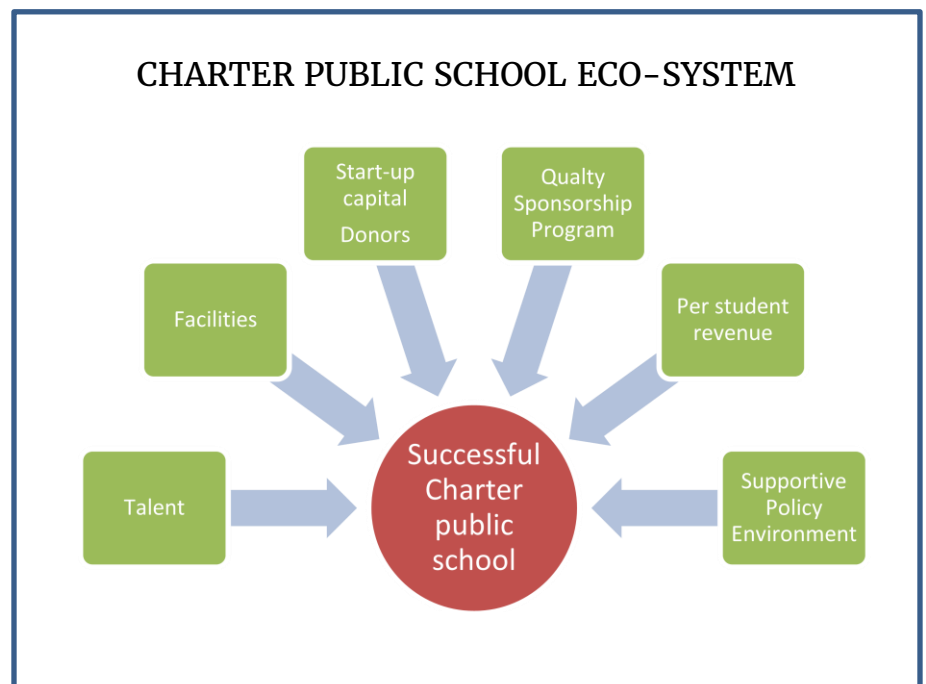
A quality sponsor is one of several key elements necessary for the development of new, quality charter public schools. Successful individual schools or their corresponding networks have had to address each of these, to some degree, in order to open and operate in Missouri. There is a growing body of knowledge around the construction of geographic based eco-systems to address barriers, reduce friction to market and support the sustainability and growth of quality schools. Kansas City has begun to build the foundation of an eco-system. St. Louis has many elements, but has not made steps to coordinate and strategically use these assets to develop new charter schools. Assets exist in each community need to be cultivated, replicated or transplanted to assist in the development of new high-quality charter public schools.

Talent – A pipeline of well-trained and proven school leaders, teachers and board members, accelerates the planned growth of quality charter public schools. Some highly effective human capital non-profits are located in St. Louis and Kansas City.

Districts and charters struggle to recruit and retain talent in a highly competitive environment. Quality schools without succession plans become unsustainable.

Facilities – Pre-identified, available and low-cost facilities are a beacon for high performing charter public schools seeking to replicate. A ‘great schools’ fund has been established to help Kansas City charter public schools grow. St. Louis has become adept at using various tax incentives to make charter public school projects affordable.

Charter public schools struggle to find affordable facilities in the neighborhoods they wish to serve. Closed and dilapidated district buildings are not made



available for use by charter public schools. Slow growth enrollment strategies designed to produce quality academic outcomes do not produce the revenue necessary to acquire and develop a building matching the future size of the building.

Philanthropy – High performing schools with a proven track record of results attract investment. Many national foundations currently support models not in Missouri. Attracting these models will attract national funding. Kansas City's philanthropic sector is more coordinated around the vision of quality public school growth and willing to commit to programs and initiatives outside of the district. St. Louis has a long-standing education funders group, typically small investments to the district.

Many of the non-profits in the eco-system compete with schools for limited philanthropic resources. Some funders see public education as a government program that does not need philanthropy or too little outcomes for the investment.

Student Funding – Missouri charter public schools are to be funded at the same level as districts. Charter public school LEAs are funded directly through the state. Missouri's per pupil is above average and the cost of living is below average in comparison to states where high performing charters operate.

Charter public schools do not get any capital dollars, start-up funding is limited to Charter public school Program grants, and those have historically been controlled by the state. Sales tax dollar distribution is based on previous year's enrollment and MODESE's decision to use local tax rates two year in the rears reduces per student funding to charter public schools, in comparison to district funding.

Pro Charter Policies – A recent report issued by the National Association of Charter Public School Authorizers ranked Missouri 8<sup>th</sup> on policy that supports sponsorship quality. A study by the National Alliance of Charter Public Schools ranks Missouri 30<sup>th</sup> on policies that support the growth, funding and autonomy of charter public schools.

A bill that included language to expand charter public schools state-wide was vetoed last year. MODESE's decision to modify the calculation of APR's has resulted in 98.5% of the districts in Missouri listed at the 'accredited' level, limiting sponsorship in non-urban districts to the local school board.

Quality Sponsorship -The Commission has wide latitude in developing the specifics of its operation, but must operate within Missouri statutes and MODESE regulations.

## IV. The Commission's Customer

The Commission's ultimate customer is the public. The Commission serves the public by authorizing new high-quality public schools and by disseminating the lessons learned in authorizing and promoting best and promising practice generate at the school level.

### **Charter public schools will be generated from:**

High Quality CMO's – proven models interested in replicating in Missouri or performing models in Missouri interested in replicating in another district. These models may be single schools, network clusters or a turn-around effort.

Education Entrepreneur's – educators, entrepreneurs interested in opening a new model or school founders who have a school and wish to replicate.

Community Driven Efforts – communities interested in attracting a provider to address their specific needs and interests. Examples of a community may be a small group of concerned citizens, an operating community organization representing a specific jurisdiction, or an elected official, such as a Mayor or County Executive.

School Districts– charter public schools partnering with the district LEA, turnaround models to replace poor performing district schools or in-district innovative models seeking greater accountability.

### **Available Operators for Replication and Startup**

Bellwether Educational Partners conducted a national study of high-quality CMO's to examine charter expansion. The headlines from the preliminary results<sup>13</sup> are:

- CMOs are planning to grow, and are generally willing to consider new states
- Basic charter freedoms around program, finances, and operations are seen as essential
- Startup funding is a major consideration when expanding to a new region
- Reliable pipelines for high-quality teachers and leaders are essential to expanding successfully

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<sup>13</sup> <http://www.publiccharters.org/publications/recruit-high-performing-charter-management-organizations-region-results-2015-cmo-survey/>

- Expanding CMOs want a simple board structure and the ability to open multiple schools in a new region

Charter public schools are looking to expand and are seeking areas where they can make the greatest impact and where there is local support. “Must have” support includes donor support (61%), access to facilities (evenly divided as to an actual building or extra per pupil to afford to purchase), and a talent supply (74%).

### **Education Entrepreneurs**

Both St. Louis and Kansas City business and civic communities have prioritized entrepreneurship as a means to economic development and growth of their regions. Business incubators and start-up supports benefit the growth of new for-profit and social ventures. The “vibe” created by these efforts is magnet for local and national talent. Entrepreneurs are drawn to create, serve and learn, and some of them will become school developers, leaders and boards.

Many high quality charter public school networks were founded by Teach for America. Their commitment to TFA’s motto - “one day, all children” – lasts beyond their years in the corp. TFA operates in both cities and now has several hundred alumni living in the respective regions. Kansas City has attracted the attention of 4.0, founded and led by a TFA alum. This “tiny school” innovation program is recruiting potential founders to launch new and innovative charter public schools.

There is a growing innovation culture within traditional districts because of the efforts of Connected Ed and EdCamps. The Commission is connected with each of these evolving communities and is ready to offer budding school founders the opportunity for sponsorship. The Commission’s approach to authorizing is in-line with the ethos of the entrepreneur sector, making it a choice sponsor.

The Commission’s success will create opportunities to connect with educators in performing districts interested in innovation. Cities like Springfield and Columbia have the talent and community resources to cultivate education entrepreneurship. Performing districts may wish to partner with the Commission in attracting new school models or in the establishment of a quality sponsorship program.

### **Renewals and Accepting Sponsor Portfolios**

The Commission expects to acquire some existing charter public schools at their renewal. Network charter public schools, serving in multiple districts, with more than

one sponsor can streamline reporting, increase efficiency by consolidating its sponsorship to the Commission.

It is also possible for the Commission to assume an entire portfolio from an existing sponsor. State statute identifies the Commission as the sponsor when a sponsor's office is closed. University sponsors may find it helpful to transition their portfolio over to the Commission, particularly if they wish to increase their growing partnership efforts with charter or create university led charter public schools.

### **Community Driven Efforts**

Community groups, civic leaders and home builders can work with the Commission to issue an RFP to attract a charter public school to be part of a renaissance of an existing community and growth of a new neighborhood. The growth of access to quality public schools in St. Louis and Midtown's attraction of Citizens of the World to Kansas City is a testament to the effectiveness of community driven efforts.

Parents and neighbors have begun to seek out new public schools to serve their communities. A well designed RFP communicates to potential operators detailing the community desires and requirements are generating interest from quality charter networks. Many charter public schools are compelled by a community's efforts to recruit a high-quality and best-fit public school. In turn, the charter public school contributes to the further development and cohesion of the neighborhood.

Developers and city planners know that families are more likely to move to a community with a high quality school. Reports like those produced by IFF<sup>14</sup> showing where there are gaps in access to quality public schools can help make the case for a new school.

### **School District Partnerships**

Recently, St. Louis and Kansas City school districts allowed charter public schools access to facilities if the charter agrees to make the district the LEA and the charter public school data is used in district accreditation calculations. Many see this as a positive sign toward partnership.

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<sup>14</sup> IFF studies show the service gap, by zip codes. An interactive map of St. Louis can be found at <http://iff.org/stlouisschools>. Kansas City's study will be underway this year.

All schools, public and private, could benefit from sharing best and promising practices, as well as coordinating business and operations, such as shared purchases and common enrollment programs. The dissemination of what works and what doesn't work can aid both public school sectors in their efforts to innovate, scale excellence and address poor performing programs.

The Commission is uniquely positioned to assist in the development of future partnership. Universities may be engaged with districts to provide fee-for-service programs. Districts wishing to test out innovative models and still remain the LEA will find the Commission's sponsorship a tool for authentic accountability. Districts seeking turnaround models to replace poor performing schools may wish to use the Commission to avoid political pressure from local interest groups. District schools with excess capacity could provide incubation space for "tiny" charter public schools with new, innovative models in the early stages of development.

One of the most exciting opportunities is the Commission's demonstration of a "lean" authorizing model, simultaneously driving accountability and protecting school autonomy. Districts and the SEA interested in exploring the concept of achievement districts or portfolio districts can look to the work of the Commission as a model.



## **V. Attracting Charter Public Schools to the Commission**

### **Niche**

We are the one and only sole purpose sponsor specifically designed to expand the number of quality charter public schools in Missouri. We want the charter public school sector to grow in numbers, quality and in innovation. Our unique configuration as an independent public agency allows us the freedom and the power to advance charter public school growth, while simultaneously protecting the twin values of the public's interest and the school's freedom. We believe this, along with an aggressive outreach effort, and a collaborative effort with local community group and civic leaders will lead to our goal of sponsoring 35 schools in the next five years.

### **Request for Proposals**

The Commission will publish an 'evergreen' Request for Proposal (RFP) that frames the basic elements of charter public school applications required for sponsorship. The Executive Director will work with the Missouri Charter Public School Association and those universities continuing to sponsoring new schools to update the 2009 application by May 2016.

The RFP will be published on the Commission's website, emailed to high performing charter public school networks, organizations that support and invest in educational innovation, school districts, education associations, universities, elected officials and community organizations. Commissioners will be encouraged to circulate the RFP to their networks.

### **Community Engagement and RFP**

In addition to a proactive distribution of the "evergreen" RFP, the Commission will identify opportunities to engage communities, educators, innovators and civic leaders in attracting or creating new charter public schools.

This engagement starts by knowing the needs and desires of the various communities where charter public schools can open. Through existing research<sup>15</sup>, the Commission will design RFPs for specific communities or for specific school models to attract

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<sup>15</sup> Examples of relevant research are the IFF study in St. Louis, regional economic development reports, local labor reports, and published data from DESE.

applicants most likely to match needs. While data and research are important, it must be validated and interpreted through relationships in community. A Deputy Director for Engagement will be hired to coordinate the application recruitment and review process. This position's duties include identifying stakeholder groups and conducting community meetings to help identify the hopes, aspirations and desires that can be articulated in a tailored RFP. In lieu of staff, the Executive Director, in partnership with the Missouri Charter Public School Association and the Kauffman Education Entrepreneur in Residence, will meet with local community members, civic and business leaders and investors to ascertain their priorities, assets that can be leveraged in support of new schools and areas of concern to be avoided.

Additional community engagement strategies include:

- Issue specific Request for Proposals with local school district, philanthropy, community groups or service agencies. Partner with MCPSA, the Ewing Marion Kauffman Foundation and other potential partner organizations on specific areas of need.
- Build awareness of why “lean” sponsorship and protection of the autonomy of school produces quality applicants.
  - Local community meeting, Venture Café, mayor’s offices, community leaders, neighborhood groups, universities, regional and Missouri chambers
  - Meet with Venture Café, Lean Labs and others in the entrepreneur sector to develop relationships that could lead to innovative charter, cross sector support, advisor/board members, philanthropy or targeted RFPs
  - Meet with school districts to share the Commission’s sponsorship approach (and results, when available) to explore partnerships, coordinated effort, dissemination of best, promising and intelligent-fast-fail (IFF) practices.
  - Meet with existing charter public schools about Commission’s sponsorship approach
  - Use earned (press releases, sources, studies) and social media (web, twitter, stories, blog) to build awareness and brand, to create interest
- Use and develop national connections through conferences, cold calls, track performance of Midwest providers to increase awareness of the Commission's approach to authorizing
- Work with philanthropy to replicate high performing charter public schools in which they invest.

- Actively participate in sponsor meetings to develop greater capacity of sector.
- Seek policy to be the appeal for sponsorship when accredited school boards reject charter applications.
- Meet with existing sponsors who no longer take application to explore partnership/merger/acquisition

### Attracting Quality Models for Replication

Missouri has several high performing networks and a few high quality “boutique” schools that are high performing and in demand. Since these schools are already familiar with state regulations and statutes, have a track record of meeting Missouri Standards and are desired by Missouri families, it make sense to start by replicating these schools in surrounding communities or across the state. These models are: Concept, EEI, Frontier, University Academy, City Garden Montessori, KIPP, and the Kauffman School.

Many successful models operating outside of Missouri wish to grow, but are in states with caps on charter public schools. Missouri charter law, per pupil funding and the Commission make it attractive to existing models, particularly those who already operate in the Midwest. Groups like the Charter Public School Growth Fund and Education Cities can promote Missouri to successful models they support.<sup>16</sup>

### Riding the Wave of (Education) Entrepreneurism

Both Kansas City and St. Louis have seen a growth in the entrepreneur and tech sector. Many of these same people are interested in social entrepreneurship. Others are education-entrepreneurs seeking non-traditional and innovative solutions to some of education’s vexing problems. These seeds of innovation and entrepreneurship are attraction, causing excitement, generating other new ideas and bringing about a cultural change in both cities.

Programs like Teach for America, City Year and AmeriCorp contribute to the enthusiasm, growth and sense of possibility. TFA in St. Louis is now 15 years old, with alumni contributing in the classroom, civic leadership and in business. Kauffman’s commitment to growing an entrepreneurial sector and quality public education (particularly for low income students) has resulted in the establishment of an Education Entrepreneur in Residence and opening of 4.0 in Kansas City. Both

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<sup>16</sup> Access to physical plant and talent are also important to attracting quality charter school providers.

will facilitate the incubation of new educational supports, including charter public schools.

#### Driving the Need for Turn-Around Models

The promise of charter public schools to perform or close is being challenged. Some of the frustration comes from parents who do not want their child's school to close. Some comes from district's who are the de facto recipients of students from failed charter public schools. Charter public schools will be challenged to find "replacement models" or takeover models to run their school instead of close. This may provide more stability for the students and faculty (in some cases), but without serious sponsor oversight these turnaround efforts could replicate persistently failed schools.

Correspondingly, education reformers and parents are pressing for greater outcomes at the individual school level, instead of at the district level. Several states, foundations and education entrepreneurs have already begun to address these lowest performing schools through Achievement Districts. These state established districts overlay existing local districts to assume control of the lowest performers (usually lowest 5%). The demand for both turn around models – as charters and in-district schools – will continue to grow.

## VI. Growth Forecast

Replication and turnaround school applications will take 18-24 months from initial contact, through authorizing to opening. Innovation and boutique charter applications will take anywhere from 24 – 36 months from concept to opening. Statute requiring the MOSBOE approval by December 1 of the prior year may extend the opening date of new charter public schools.

The enrollment growth rate has changed considerably over the years. In the early years, charter public schools opened large schools with multiple grades. Schools founders later determined academic achievement was more likely of the schools started small, with a few grades, and grew a grade a year. Over the last 17 years, 18 of the 57 charter public schools LEAs have been closed. This makes the annual growth rate unpredictable and unreliable predictor of future growth.

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	AVG
STL	3,046	3,635	4,353	4,514	5,405	7,726	9,211	10,407	9,507	11,526	8,482	9,228	9,761	
<b>Change</b>		<b>19.3%</b>	<b>19.8%</b>	<b>3.7%</b>	<b>19.7%</b>	<b>42.9%</b>	<b>19.2%</b>	<b>13.0%</b>	<b>-8.6%</b>	<b>21.2%</b>	<b>-26.4%</b>	<b>8.8%</b>	<b>5.8%</b>	<b>11.5%</b>
KC	6,696	6,667	5,481	6,457	6,084	6,389	7,925	8,819	8,819	10,003	9,577	10,211	10,182	
<b>Change</b>		<b>-0.4%</b>	<b>-17.8%</b>	<b>17.8%</b>	<b>-5.8%</b>	<b>5.0%</b>	<b>24.0%</b>	<b>11.3%</b>	<b>0.0%</b>	<b>13.4%</b>	<b>-4.3%</b>	<b>6.6%</b>	<b>-0.3%</b>	<b>4.1%</b>
MO	9,742	10,302	9,834	10,971	11,489	14,115	17,136	19,226	18,326	21,529	18,059	19,439	19,943	
<b>Change</b>		<b>5.7%</b>	<b>-4.5%</b>	<b>11.6%</b>	<b>4.7%</b>	<b>22.9%</b>	<b>21.4%</b>	<b>12.2%</b>	<b>-4.7%</b>	<b>17.5%</b>	<b>-16.1%</b>	<b>7.6%</b>	<b>2.6%</b>	<b>6.7%</b>

### Demand Driven Growth

Charter public school entrepreneurs, district officials, civic and business leaders and philanthropists continue to call for increased quality and innovation in education. Issues related to Ferguson, a growing tech industry and the scarcity of educational resources (at the state, local and federal level) put pressure on a sector full of need and potential. Demand for better public schools will continue for the foreseeable future.

Charter public school growth in St. Louis has been driven by the efforts of the four-term mayor. Kansas City's growth was generated by willing sponsors and an education entrepreneur sector, fueled by a coordinated effort by philanthropy. Both cities can expect the support to continue.

Inner ring suburbs have not had serious champions for charter development. St. Louis students in unaccredited districts have access to a transfer program that allowed

students to attend schools in performing districts, reduce the urgency for charter public school development over the last three years. Changes in the accreditation status will reduce the number of transfer students. These communities remain eligible for charter public schools.

Hickman Mills, just outside of Kansas City, serves a demographic similar to KCPS and is provisionally accredited. Their school board and superintendent have added pre-k programs and are confident their instructional focus will lead to an accredited status. However, the shifts in population and the high mobility rate of the low-income population would suggest otherwise. Hickman's proximity to Kansas City, their size and their leadership makes them a potential district-charter partnership worth exploring.

## VII. Management and Organization

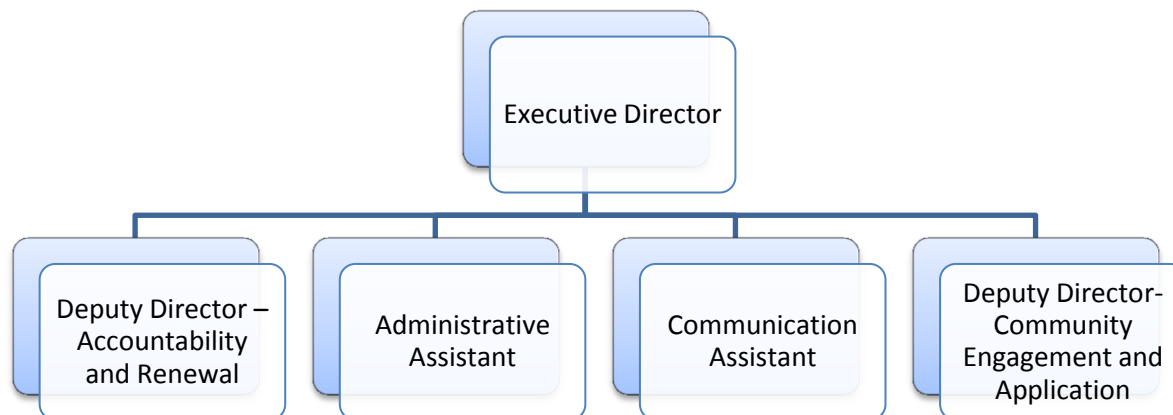
### Personnel

The following outline the functions of the founding Executive Director over the next 18 - 36 months:

- Attract quality charter public school applicants to Missouri
- Attract innovators to open charter public schools in Missouri
- Establish and manage a review process that identifies qualified applicants and recommend sponsorship to the Commission
- Drive results through sponsorship accountability
- Establish and manage performance based contracts with sponsored schools
- Protect the autonomy of the sponsored schools
- Protect the public and student's interest by assuring fair and open enrollment and services
- Work with community leaders, philanthropy and existing charter public schools to identify specific communities lacking access to quality public schools
- Build relationships within education reform and entrepreneur sectors; civic, philanthropic sectors in eligible; elected officials in Missouri
- Create a network of partners in support of mission, support of sponsored schools, support of districts that wish to replicate strategy
- Create short term operational plan and 3-year strategic plan
- Set and lead strategic direction of MCPSC
- Hire and develop talent
- Along with founding Commission members, develop the Commission's identity
- Along with the Chair, project the public "face" of the Commission
- Champion quality public charter public schools in Missouri and nationwide.
- Champion innovation in charter public schools.
- Champion dissemination of best and promising practices in the charter public school sectors (from the schools and from sponsorship.)
- Strengthen policy and laws that support Commission's mission
- Create opportunities for entrepreneurs to innovate in the charter public school space

The initial FY16 and FY17 internal team will rely on executive director, Commission and external partners to operationalize the legislative intent of MCPSC. The FY18 proposed chart grows the internal team to five members.

### Proposed Organizational Chart



The Deputy Director for Accountability and Renewal will manage the compliance and accountability of schools sponsored by the Commission, leads the evaluation team and manages the renewal or closure process of these schools.

The Deputy Director for Community Engagement and Application will work with communities seeking charter public school, and lead the team of reviewers in selecting applicants recommended for sponsors.

The Administrative Assistant will assist the Executive Director and Deputy Directors with direct administrative and logistic support, manage the departments reporting and fiscal operations. The Communication Assistant will manage press, social media, website and communication to key stakeholder groups.

In addition to agency staff, the Executive Director will create a network of partners to help the Commission successfully implement its strategic plan. The network will include individuals from a variety of sectors in and outside of education. Ed Reform Partners/External Partners include: MCPSA, Children’s Education Alliance of Missouri (CEAM), Teach for America (TFA), Democrats for Education Reform (DFER), SchoolWorks, and Education Cities. Philanthropic partners include: Kauffman Foundation, Walton Foundation, Hall Foundation, and the Maxine Clark and Bob Fox Foundation. School talent partners include: Universities (both as teacher training, but also as lab schools), TNTP, TFA, AmeriCorps, HeadStarts. Civic and community partners include: City Year, Mayor’s Offices in St. Louis and Kansas City, EdPlus, Missouri Chamber, entrepreneurship and start-up initiatives (such as Arch Grants, T-Rex, Lean Lab and the Kauffman), as well as candidates for statewide elected office.



## VIII. Financial Plan

### Revenue

Sponsorship fees are 1.5% of the Weighted Average Daily Attendance (WADA), with a maximum amount of \$125,000 per LEA (adjusted for inflation.) This fee structure is the same for each sponsor and is set in statute.<sup>17</sup> Sponsors receive payment once a school receives state funding, once in October and again in March. The generation, review, sponsorship and pre-opening expenses incurred by a sponsor are sunk costs. Fees are not generated until the school year when students arrive.

Kansas City sponsors receive about ~\$130 per student (adjusted for WADA as appropriated and as local taxes). St. Louis generates a slightly higher fee.<sup>18</sup> The current sponsorship fees equates to approximately 960 students per LEA, dropping with increases in State funding.

### Start-up Expenses

FY16 salaries are \$145,000, Governor's withholding is \$4,000, with the remaining \$51,000 for staff and commission travel, staff and commission professional development, contracted/consultant services, telephone and office supplies. The FY17 request to expand the budget and staff was rejected. The Commission's FY17 budget request is equal to FY16.

The Office of Administration was engaged in July 2015 to assist the Executive Director in acquiring office space. It was determined that the Cambridge Innovation Center – Center for Emerging Technologies would be the best location for a new and growing agency. The office lease includes office, furniture, access to technology (both internet and hardware), parking, conference space, security and some kitchen facilities. While the lease is still in negotiations, the Executive Director has worked from home.

The second half of FY16 consists of developing the pre-opening and monitoring plan, and establishing the software service for tracking compliance. If additional supports are needed, the Kauffman Foundation has offered to entertain a proposal.

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<sup>17</sup> Add statute number Rules are adjusting to \$147,000; about 800 students

<sup>18</sup> (Budget built on 2014 Kansas City payment, with no adjustment for inflation.)

<b>FY18 Proposed Budget</b>		<b>General Revenue Request</b>
Executive Director		\$145,000
Deputy Director	Application Recruitment and Review	90,000
Deputy Director	Accountability and Renewal	90,000
Administrative Assistant	Operations, Finance	50,000
Administrative Assistant	Communications	50,000
<b>Total Personnel<sup>19</sup></b>		<b>\$425,000</b>
Travel 140		\$10,000
Travel 160		5,000
Supplies 190		5,000
Professional Development 320		40,000
Communication 240		15,000
Professional Services 400		100,000
Computer Equipment 480		23,000
Office Equipment 580		7,000
<b>Total Non-Personnel Expenses<sup>20</sup></b>		<b>\$205,000</b>
<b>Grand Total</b>		<b>\$630,000</b>

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<sup>19</sup> Benefits paid out of the Office of Administration Budget

<sup>20</sup> Rent paid for by Office of Administration; staff may work from home or at MODESE