

school district or community.⁴ Because OPAHS is proposing to locate in an LEA that contains a school on the current or last preceding priority school list, the State Board has the ability to approve the application or to affirm the local board's decision to deny.

PROCEDURAL HISTORY

1. On February 1, 2015, Omni Inc. submitted a letter of intent to Shelby County Schools expressing its intention to file a charter school application for OPAHS.
2. Omni, Inc. submitted its initial application for OPAHS to Shelby County Schools on April 1, 2015.
3. Shelby County Schools assembled a review team to review and score the OPAHS application. The review team recommended denial of the OPAHS initial application.
4. On May 26, 2015, Shelby County Schools Board of Education held a public hearing and voted to deny the OPAHS initial application based upon the review team's recommendation. Omni, Inc. was notified that it had thirty days to submit an amended application.
5. Omni, Inc. amended and resubmitted its application for OPAHS to Shelby County Schools on June 25, 2015.
6. Shelby County Schools' review team reviewed and scored the amended application of OPAHS and again recommended denial.
7. On July 21, 2015, based on the review team's recommendation, Shelby County Schools Board of Education voted to deny the amended application of OPAHS. OPAHS was notified that it had ten days upon which to file an appeal with the State Board. (A copy of the Shelby County Schools' review team final rubric is attached hereto as **EXHIBIT B.**)
8. Omni, Inc. appealed the denial of the OPAHS amended application in writing to the State Board on July 31, 2015, including all required documents per State Board policy 2.500.
9. At the time of appeal to the State Board, OPAHS did not submit additional amendments as allowed under T.C.A. § 49-13-108(a)(4)(C).
10. On August 5, 2015, the State Board sent a letter requesting that Shelby County Schools provide additional information regarding its denial of the OPAHS amended application.
11. The State Board's Review Committee analyzed and scored the OPAHS amended application using the Tennessee Department of Education's charter application scoring rubric.

⁴ Id.

12. On September 2, 2015, the State Board Executive Director and staff held a public hearing in Memphis. At the public hearing, the Executive Director heard presentations from Omni, Inc. and Shelby County Schools and took public comment regarding the OPAHS application.
13. The Review Committee conducted a capacity interview with the proposed governing board of OPAHS along with key members of the leadership team on September 10, 2015 in Nashville.
14. After the capacity interview, the Review Committee completed a final rating of the OPAHS amended application and provided the Review Committee Recommendation Report (attached hereto as **EXHIBIT A**).

FINDINGS OF FACT

- **District Denial of Application.**

The review team assembled by Shelby County Schools to review and score the OPAHS initial and amended applications consisted of the following individuals:

Name	Title
Vickie Puff	Special Education Advisor, Shelby County Schools
Fonda Booker	English Language Arts Advisor, Shelby County Schools
Emily Barbee	Mathematics Advisor, Shelby County Schools
Rita Moore	Science Advisor, Shelby County Schools
David Barrett	Social Studies Advisor, Shelby County Schools
Jeannette Lucas	Senior Accountant, Shelby County Schools
Brant Riedel	Planning and Accountability Advisor, Shelby County Schools
Eddie Jones	Staffing Advisor, Shelby County Schools
NeShante Brown	Executive Director, The Soulsville Charter School

In addition, the Shelby County Schools superintendent and other leadership team members reviewed the OPAHS applications. The OPAHS initial application received a range of ratings across the various sections submitted for review.⁵

Upon resubmission, the amended application was rated by the SCS review team as “Does Not Meet Standard” for the Operations Plan and Capacity section. The reasoning given for the “Does Not Meet Standard” rating was as follows:

When making authorization decisions to grant additional charters to existing operators, the local board of education considers the capacity of the organization which includes the past performance data of the its current schools. This organizations two existing schools (North Pointe Lower School and North Pointe Middle School) have not yielded data that produced the expected academic results. In fact, the lower school has significantly underperformed.⁶

⁵ Shelby County Schools did not submit an overall rating for each of the main sections of the application.

⁶ EXHIBIT B, p. 13.

Shelby County Schools instituted a new element into the district’s charter application review process this year, conducting capacity interviews with applicants. Applicants were asked to take part in a capacity interview if the district felt more information was needed to inform the decision to approve or deny the proposed charter school. In the case of OPAHS, the district elected not to hold a capacity interview. After the SCS review team completed its review and scoring of the amended application, its recommendation was presented to the Shelby County Schools Board of Education on July 21, 2015. Based on the review team’s recommendation, the Shelby County Schools Board of Education voted to deny the amended application of OPAHS.

- **State Board Charter Application Review Committee’s Evaluation of the Application**

Following the denial of OPAHS and their subsequent appeal to the State Board of Education, SBE staff assembled a Review Committee of experts to evaluate and score the OPAHS amended application. This review committee consisted of the following individuals:⁷

Name	Title
David Hanson	Managing Partner, Hanson Wells Partners
Allyson Hauptman	Lead Faculty, Instructional Practice, Lipscomb University
Kelly Love	Reading Specialist, Akiva Day School
Angela Sanders	General Counsel, State Board of Education
Tess Stovall	Director of Charter Schools, State Board of Education
Holly Tilden	Dean of Instruction/Data and Assessment Coordinator, LEAD Academy High School
Charlie Williams	Director of Finance and Operations, STEM Preparatory Academy

The Review Committee conducted an initial review and scoring of the OPAHS amended application, a capacity interview with Omni, Inc. and a final evaluation and scoring of the amended application resulting in a consensus rating for each major section of the application. The Review Committee’s consensus rating of the OPAHS amended application was as follows:

Sections	Rating
Academic Plan Design and Capacity	Partially Meets Standard
Operations Plan and Capacity	Partially Meets Standard
Financial Plan and Capacity	Partially Meets Standard

With regard to the academic plan design and capacity section, the Review Committee found that the application lacked critical details around operations, and the governing body and management team had very limited experience in operating a high school. In the operations plan and design section, the Review Committee found the proposed governance structure to be unclear and underdeveloped, even after additional discussion with the applicant during the capacity interview. Specifically, the operations plan lacked sufficient detail regarding the proposed relationship between the three schools in terms of shared staffing, facilities, and resources, and how a third school would impact two existing schools. Further, the Review Committee did not find sufficient evidence of a strong financial plan as the school

⁷ Please see EXHIBIT A for detailed bios of each review committee member.

planned to rely extensively on the other two schools and Omni, Inc. to support OPAHS, but could not articulate during the capacity interview when or if OPAHS would be financially sustainable on its own.

Overall, the Review Committee was not convinced that Omni, Inc.'s plan for the Lower School and the Middle School to support the operations of OPAHS across many areas including academics, staffing, operations, and finances was solvent and viable. Considering that Omni, Inc.'s two current schools are on the Tennessee Department of Education's Priority list, the Review Committee did not find sufficient evidence through the application or the capacity interview that Omni, Inc. had the overall capacity to implement a plan for a new high school while providing the academic, operational and financial support necessary to ensure the success of its other two schools. For additional detail regarding the Review Committee's evaluation of the application, please see **EXHIBIT A** for the complete Review Committee Report, which is fully incorporated herein by reference.

- **Public Hearing**

Pursuant to Statute,⁸ and State Board policy 2.500, a public hearing chaired by the Executive Director was held in Memphis on September 2, 2015. Shelby County Schools' presentation at the public hearing focused on the argument that denial of the OPAHS amended application was in the best interests of the students "due to the persistently low performance at Omni's two existing schools" and that the two existing schools "are on the state priority list for falling in the bottom 5% of student achievement . . ."⁹

In response, Omni, Inc.'s presentation focused on its argument that Shelby County Schools' application review process was unfair. Specifically, Omni, Inc. argued that the procedures used by Shelby County Schools during the application review process were "not clearly outlined, and, as applied, biased the review process against the OPA-HS charter application."¹⁰ In particular, Omni, Inc. argued that they were treated unfairly because they were not granted a capacity interview by Shelby County Schools, while other applicants were.¹¹

A portion of the public hearing was dedicated to taking public comment. A total of six people made verbal comments at the hearing. In addition, public comments were submitted to State Board staff in writing either at the hearing or via e-mail. Of those who spoke at the public hearing, the Tennessee Charter School Center, the Tennessee Black Alliance for Educational Options, and the Memphis School Guide

⁸ T.C.A. § 49-13-109.

⁹ Shelby County Schools Public Hearing PowerPoint Presentation. Additional reasons for denial included in the presentation at the Public Hearing included: 1. The combined success rate of Omni's current schools is lower than other K-8 schools in the Raleigh area and lower than all Shelby County K-8 schools as a group; 2. Omni Prep has struggled to achieve a year's worth of growth on a consistent basis; and 3. Omni's current schools had lower attendance rates and higher suspension rates than the other K-8 schools in Shelby County, inclusive of charters and district-run schools.

¹⁰ Omni Prep Academy High School Public Hearing PowerPoint.

¹¹ When questioned about the review process and rationale for granting capacity interviews, Brad Leon, Chief of Strategy and Innovation for Shelby County Schools, explained that OPAHS was not granted a capacity interview because Shelby County Schools did not feel that a capacity interview would provide additional information or lead to a different set of conclusions on the application.

spoke in support of the district's decision to deny the OPAHS application. A parent of an Omni Prep student, a current student, and a community member all spoke in support of OPAHS.¹²

CONCLUSION

State law requires the State Board to review the decision of the local board of education and determine whether the denial of the proposed charter school was in the "best interests of the pupils, school district, or community."¹³ T.C.A. § 49-13-108 requires the State Board to adopt national standards of authorizing. One such standard is to maintain high standards for approving charter applications. To that end, the State Board employed a Review Committee of well-qualified individuals to independently score the application using the Tennessee Department of Education's charter application scoring rubric. The team also conducted a capacity interview with the sponsor Omni, Inc. to determine whether OPAHS and its leadership would be likely to succeed upon opening. In making my recommendation to the Board, I have considered the Review Committee's Report, the arguments made by both Omni, Inc. and Shelby County Schools at the Public Hearing and the public comments received by State Board staff, and conclude as follows:

The Review Committee's report and recommendations are sound and grounded in evidence contained in the application and gained at the capacity interview. For the reasons stated in the Review Committee Report, I agree that the OPAHS amended application did not rise to the level of meeting or exceeding the standards required for approval.

In addition, Shelby County Schools acted within its rights and obligations as an authorizer when it considered the capacity and past performance of Omni, Inc. to operate a quality charter school. Tennessee Code specifically grants districts the authority to take capacity and past performance into account when reviewing a charter school application. T.C.A. § 49-13-107(e) specifically states, "In reviewing an application, a chartering authority may take into consideration the past and current performance, or lack thereof, of any charter school operated by the sponsor." As such, Shelby County Schools had the ability to consider the capacity of the Sponsor of OPAHS to operate a successful school. In fact, The Tennessee Public Charter Schools Act lists among the main purposes of the Act:

- Improving learning for all students;
- Providing greater decision making authority to [charter] schools and teachers in exchange for *greater responsibility for student performance* (emphasis added); and
- Ensuring that children have the opportunity to reach proficiency on state academic assessments.¹⁴

Given the great responsibility of educating students and the amount of taxpayer dollars entrusted to a charter school that is approved by a local district, the State Board expects that only those schools that demonstrate a high likelihood of improving academic outcomes for students will be authorized. School districts in this State must take charter school authorization seriously. This means holding charter schools accountable to the performance and autonomy bargain that serves as the basis for the Charter law in Tennessee. To that end, while I believe that Shelby County Schools could improve its review process by

¹² In addition, numerous letters of support for OPAHS were submitted in writing from current parents and students of Omni Prep, as well as a letter from Students First supporting the district's denial of the application.

¹³ T.C.A. § 49-13-108.

¹⁴ T.C.A. § 49-13-102.

granting all applicants a capacity interview and enhancing clarity of communication with applicants throughout, I support Shelby County Schools' incorporation of Omni's current performance in determining capacity to open an additional school at this time.

The public comment submitted at the public hearing and in writing demonstrates clearly that Omni, Inc. is providing a safe and supportive environment for the students of the Raleigh-Frayser neighborhood in Memphis and that there is strong parental and student demand for a high school. However, the performance of Omni's two existing schools gives reason for concern when contemplating expansion of the network. In my opinion, the best way to serve students enrolled in Omni's two existing schools is to continue the hard work currently underway to improve educational outcomes for these children. I firmly believe that the leadership team at Omni, Inc. has the skills, experience and commitment to improve student outcomes in their two existing schools and move them off the State's Priority School list. I fear, however, that authorizing the opening of a high school at this time would draw needed resources and attention away from this exceptionally important and challenging task. I highly encourage the leadership of Omni, Inc. to push forward in this endeavor and to reapply for a high school once they have established that the Omni model can produce high academic outcomes for students at all grade levels.

For these reasons, and for the reasons stated in the Review Committee Report attached hereto, I do not believe that the decision to deny Omni Prep Academy High School's application was contrary to the best interests of the students, the school district, or the community. Therefore, I recommend that the State Board of Education affirm the decision of the Shelby County Schools Board of Education.



Dr. Sara Heyburn, Executive Director
State Board of Education

9/21/2015

Date

EXHIBITS

- **Exhibit A:** State Board of Education Review Committee Report and Reviewer Bios
- **Exhibit B:** Shelby County Schools Review Team Final Rubric



EXHIBIT A

Charter Application Review Committee Recommendation Report

September 24, 2015

School Name: Omni Prep Academy High School

Sponsor: Omni Schools, Inc.

Proposed Location of School: Shelby County Schools

Evaluation Team:

David Hanson
Allyson Hauptman
Kelly Love
Angela Sanders
Tess Stovall
Holly Tilden
Charlie Williams

This recommendation report is based on a template from the National Association of Charter School Authorizers.



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Introduction

Tennessee Code Annotated (T.C.A) § 49-13-108 allows the public charter school sponsors to appeal the denial of an application by the local board of education to the State Board of Education. In accordance with T.C.A. § 49-13-108, the State Board of Education shall conduct a de novo on the record review of the proposed charter school's application, and the State Board of Education shall adopt national authorizing standards. As laid out in State Board Policy 6.200 – Core Authorizing Principles, the State Board has committed to implementing these authorizing standards aligned with the core principles of charter school authorizing including setting high standards for the approval of charter schools in its portfolio.

The State Board of Education's charter application review process is outlined in T.C.A. § 49-13-108, State Board Policy 2.500 – Charter School Appeals, and State Board Policy 6.300 – Application Review. The State Board assembled a charter application review committee comprised of highly qualified internal and external evaluators with relevant and diverse expertise to evaluate each application. The State Board provided training to all review committee members to ensure consistent standards and fair treatment of all applications.

Overview of the Evaluation Process

The State Board of Education's charter application review committee developed this recommendation report based on three key stages of review:

1. **Evaluation of the Proposal**: The review committee independently reviewed the amended charter application, attachments, and budget submitted by the sponsor. After an independent review, the review committee collectively identified the main strengths, concerns, and weaknesses as well as developed specific questions for the applicant in the three sections of the application: Academic Plan Design and Capacity, Operations Plan and Capacity, and Financial Plan and Capacity.
2. **Capacity Interview**: Based on the independent and collective review of the application, the review committee conducted a 90 minute in-person interview with the sponsor, members of the proposed governing board, and identified school leader (if applicable) to address the concerns, weaknesses, and questions identified in the application and to assess the capacity to execute the application's overall plan.
3. **Consensus Judgment**: At the conclusion of the review of the application and the capacity interview, the committee submitted a final rubric and developed a consensus regarding a rating for each section of the application.

This recommendation report includes the following information:

1. **Summary of the application**: A brief description of the applicant's proposed academic, operation, and financial plans.
2. **Summary of the recommendation**: A brief summary of the overall recommendation for the application.



3. Analysis of each section of the application: An analysis of the three sections of the application and the capacity of the team to execute the plan as described in the application.
- a. Academic Plan Design and Capacity: school mission and goals; school development; academic focus and plan; academic performance standards; high school graduation standards (if applicable); assessments; school calendar; special populations and at-risk students; school culture and discipline; marketing, recruitment and enrollment; community involvement and parent engagement; and the capacity to implement the proposed plan.
 - b. Operations Plan and Capacity: governance; start-up plan; facilities; personnel/human capital; professional development; insurance; transportation (if applicable); food service; additional operations (if applicable); waivers; and the capacity to implement the proposed plan.
 - c. Financial Plan and Capacity: budget narrative, budget, cash flow projections, related assumptions, financial policies and procedures, and the capacity to implement the proposed plan.

The State Board’s charter application review committee utilized the Tennessee Department of Education’s Charter School Application Evaluation Ratings and Sample Scoring Criteria (“the rubric”), which is used by all LEAs when evaluating an application. The rubric states:

[A]n application that merits a recommendation for approval should present a clear, realistic picture of how the school expects to operate; be detailed in how this school will raise student achievement; and inspire confidence in the applicant’s capacity to successfully implement the proposed academic and operational plans. In addition to meeting the criteria that are specific to that section, each part of the proposal should align to the overall mission, budget, and goals of the application.

The evaluators used the following criteria and guidance from the scoring rubric to rate applications:

Rating	Characteristics
Meets or Exceeds the Standard	The response reflects a thorough understanding of key issues. It clearly aligns with mission and goals of the school. The response includes specific and accurate information that shows thorough preparation.
Partially Meets Standard	The response meets the criteria in some aspects, but lacks sufficient detail and/or requires additional information in one or more areas.
Does Not Meet Standard	The response is significantly incomplete; demonstrates lack of preparation; is unsuited to the mission and vision of the district or raises significant concerns about the viability of the plan or the applicant’s ability to carry it out.



Summary of the Application

School Name: Omni Prep Academy High School

Sponsor: Omni Schools, Inc.

Proposed Location of School: Shelby County Schools

Mission:¹

Omni Prep Academy High School will equip high school students with the academic and social skills necessary to graduate prepared to thrive in a college environment. The school will ensure that all students develop a foundation upon which to build a productive life of educational achievement, leadership, thoughtful service, lifelong learning and hard work.

Proposed Enrollment:²

Grade Level	Year 1 (2016-17)	Year 2 (2017-18)	Year 3 (2018-19)	Year 4 (2019-20)	Year 5 (2020-21)	At Capacity (2024-25)
9	50	56	66	72	72	80
10		50	56	66	72	80
11			50	56	66	80
12					56	80
Total	50	106	172	244	266	320

Brief Description of the Application:

Omni Prep Academy High School will be the third school under Omni Schools, Inc in addition to the Omni Prep Academy – North Pointe Lower School and Omni Prep Academy – North Point Middle School. The sponsor proposed a small school model and assumes most the student enrollment will come from currently matriculating students in the Lower School and Middle School. The school’s proposed curriculum is aligned with Tennessee State Standards and outlines plans to provide students with the academic courses and college counseling to prepare them for post-secondary success.

Omni Prep Academy High School will be governed by a board that currently has 9 members and shall not exceed 20 members. The governing board also oversees the existing Lower School and Middle School. Omni Schools, Inc. will collect an annual fee from each of the three schools in exchange for designated services. The executive director who currently oversees the Lower and Middle School will oversee the high school as well.

Omni Prep Academy High School projects to have \$463,700 in revenue in Year 1 and \$422,894 of expenses in Year 1, resulting in a positive fund balance of \$43,751. In Year 5, Omni Prep Academy High School projects to have \$2,175,207 in revenue and \$1,944,628 in expenses, resulting in a positive fund balance of \$598,828. The school assumes that 90% of the student population will qualify for Free and

¹ Omni Prep Academy High School Amended Application, pg. 1.

² Ibid, pg. 6.



Reduced Price Lunch, 20% of the student population will be students with disabilities, and 8% of the student population will be English Language Learners.



Summary of the Evaluation

The committee recommends that the application from Omni Prep Academy High School be denied because the applicant did not present sufficient evidence that the academic, operational, and financial plan could be implemented with fidelity to result in a high quality school option. In the academic plan design and capacity section, the committee found that the application lacked critical details around operating a high school, and the governing body and management team had very limited experience in operating a high school. In the operations plan and design, the committee found that proposed governance structure was unclear and influx even during the capacity interview. The operations plan lacked sufficient evidence regarding the proposed relationship between the three schools in terms of shared staffing, facilities, and resources, and how a third school would impact two existing schools.

The review committee did not find sufficient evidence of a strong financial plan as the school planned to rely extensively on the other two schools and Omni Schools, Inc. to support the high school, and they could not articulate when or if the high school would be financially sustainable. Overall, the review committee found that the applicant planned for the Lower School and the Middle School to support the operations of the high school across many areas including academics, staffing, operations, and finances. With the operator's two current schools on the Tennessee Department of Education's Priority list, the review committee did not find sufficient evidence through the application or the capacity interview that the operator had the overall capacity to implement a plan for a new high school while providing the academic, operational and financial support necessary to develop a high quality school option in addition to support the needs of the two other schools.

Summary of Section Ratings

In accordance with the Tennessee Department of Education's charter application scoring rubric, "applications that do not meet or exceed standard in every area will be deemed not ready for approval,"³ and strengths in one area of the application do not negate material weaknesses in other areas. Opening and maintaining a successful, high-performing charter school depends on having a complete, coherent plan and identifying highly capable individuals to execute that plan.

Sections	Rating
Academic Plan Design and Capacity	Partially Meets Standard
Operations Plan and Capacity	Partially Meets Standard
Financial Plan and Capacity	Partially Meets Standard

³ Tennessee Charter School Application – Sample Ratings and Scoring Criteria, pg. 1.



Analysis of the Academic Plan Design and Capacity

Rating: Partially Meets Standard

Weaknesses Identified by the Committee:

The Academic Plan Design and Capacity section partially meets standard because the applicant lacked evidence of viable academic plan that could be implemented and would result in a high quality school for students. While the leadership team members are very passionate and experienced individuals within education, there are only two individuals in the entire organization with high school experience. The applicant plans to rely heavily on staff, teachers, resources, and space from the lower school and the middle school to get the high school off the ground, but the leadership team in the capacity interview could not clearly articulate how they would manage the significant differences between a middle school and a high school including schedules, differing teacher endorsements, and intervention times.

The application lays out a plan to have students participate in a number of advanced courses and electives as a part of the high school experience, but the applicant did not demonstrate the plans for effective staffing to meet these expectations. Due to budgetary factors, the school does not plan to have any full-time staff members in the first year of operation including the principal and core teachers. During the capacity interview, the applicant stated that they acknowledged that it would be a challenge to recruit individuals to serve part-time roles. There were some staff that the school planned to hire full-time, but the other schools would pay for part of their salaries and their time would be focused on one of the other schools.

In the application, the school stated that volunteers would teach some elective courses required for graduation, but in the capacity interview, the leadership team states that they would ensure that the volunteers had active teaching licenses so that students would receive credit for those courses. The review committee found a lack of evidence to ensure that quality instruction would be provided in these types of courses with the plan proposed by the application. Additionally, the applicant requested a waiver to T.C.A. § 49-5-101(a) which requires a principal be licensed, but this is not allowed under state statute. While the school's leadership team stated that they understand the challenges facing them in regards to staffing and plan to work tirelessly to mitigate any foreseen issues, the review committee did not find sufficient evidence that the school could execute the academic plan at a high level with the staffing plans outlined.

The operator's current schools, Omni Prep Academy North Pointe Lower School and Omni Prep Academy North Pointe Middle School, are both currently on the Tennessee Department of Education's priority school list, which identifies schools in the lowest 5% of schools statewide. During the capacity interview, the leadership team acknowledged that the schools had struggled initially, but they said that they are seeing signs of improvement. Additionally, they said they had made staffing and leadership changes where they identified specific weaknesses. Although the school leadership team demonstrated passion and clear drive for students, there was not sufficient evidence provided in the application and in the capacity interview that the academic plan would be implemented with fidelity and at a high level given the current performance of the Lower School and Middle School. Additionally, evidence was not provided that the addition of a high school would not negatively impacting the performance of these schools.



Strengths Identified by the Committee:

Although the academic plan design and capacity partially meets standard, the mission and vision of the school was clear and focused, and the entire academic plan was aligned to the school's mission. There was evidence of high expectations for students and a school culture to drive students for success in college and post-secondary. The application contained a clear plan to implement Response to Instruction and Intervention, and the applicant had a clear understanding for the proposed student population and the strategies that would be effective for that population. The leadership team contained experienced individuals who have worked within the Omni Schools' organization, understand the current student population, and are extremely dedicated to the mission of the organization.

Analysis of the Operations Plan and Capacity

Rating: Partially Meets Standard

Weaknesses Identified by the Committee:

The Operations Plan and Capacity section partially meets standard because there was a lack of clear and concrete evidence of a strong governance structure as well as staffing plan to execute the plan outlined within the application. The governance structure presented within the application and what was proposed at the capacity interview lack alignment. Therefore, it was unclear to the review committee the exact governance model that would be in place for the new school. In the capacity interview, the leadership team and representatives of the governing board described an organization that is in transition in governance, and the responsibilities for school's governing board and the sponsor governing board were evolving. The individuals described a governing board that would oversee all three schools and would have some relationship with the sponsoring governing board of Omni Schools, Inc., but the exact relationship between the boards, the roles and responsibilities of the boards, and accountability structure of the personnel to the boards was not fully and completely defined. The transitional governance structure did not present evidence to the review committee that the structure could manage and support the two existing schools as well as a new school.

As outlined in the analysis of the Academic Plan Design and Capacity, the projected staffing plan contained within the operations plan neither aligns with the presented academic plan nor the financial plan of the school. In the capacity interview, the leadership team stated that the middle school and lower school would fund portions of some positions to allow them to be full-time, but some positions within the first few years of the high school would remain part-time. Additionally, the application lacked a realistic and competitive compensation packages that would result in high quality personnel for the content courses. In the interview, the leadership team acknowledged the challenge of hiring quality content teachers for high school courses, but there was little additional evidence provided to demonstrate that the hiring process and compensation would result in high quality personnel. The lack of understanding of high school operations was clear in the proposed teacher schedule. The proposed schedule included a sample teacher responsible for the instruction of four different math courses. The review committee found insufficient evidence to prove that the staffing plan as outlined would result in a high quality school option for students.

The staffing structure for the entire organization is currently in a transition with the Executive Director moving into a new role, which would oversee all schools, and the organization plans to hire three principals to oversee the three individual schools. From a long-term sustainability perspective, the review committee found evidence that shifting the day-to-day responsibilities of the Executive Director may result in a more sustainable model. However, since the organization was currently in the process of shifting the staffing structure and hiring personnel into the nearly created principal positions for the two existing schools, the exact roles and responsibilities of the Executive Director, principals, and other support staff were not clearly defined. The review committee did not find sufficient evidence that the transitional staffing structure would enable the organization to fully implement the academic plan.

In addition to the governance structure and the staff structure being in a transition period, the applicant's facilities plan presented in the capacity interview that from the plan outlined in the application.



The leadership team and governing board representatives stated that their long-term facility planned included the purchasing and building of a facility on a site different than what is being currently utilized. However, the review committee was not presented clear and coherent details regarding the financing of the land purchase and the construction. Therefore, there was a lack of evidence of the long-term facilities plan of the school, and how the school operations may change depending on a change of location.

Strengths Identified by the Committee:

Despite the fact that the operations plan and design section partially meets standards, the operations section did contain a thorough professional development plan for teachers, clear and coherent plans for general school operations including transportation, food service, and student information management. The leadership team's experience with the operations of two current schools was clear through these sections.



Analysis of the Financial Plan and Capacity

Rating: Partially Meets Standard

Weaknesses Identified by the Committee:

The Financial Plan and Capacity section partially meets standard because the budget model presented does not provide sufficient evidence that the academic model can be implemented as outlined in the application. Many of the financial and budgetary assumptions contained within the financial plan rely on the resources and staff of the operator's two existing schools as well as the sponsoring organization, Omni Schools, Inc. However, there was little evidence provided by the applicant of the financial viability of these three entities and how the addition of the costs of a third school would impact the financial performance of the current schools. The applicant was not able to articulate when, and if, the high school would be financially self-sustainable, and although self-sustainability is not a requirement within the rubric, this lack of long-term financial planning and knowledge demonstrated an overall lack of evidence that the financial plan was reasonable and viable.

As outlined in the analysis of the academic plan and the operational plan, the budget does not fully fund any full-time staff members in the first year of operation including the principal and core teaching positions. In the interview, the governing board and leadership team stated that some positions would be partially funded by the two other operating schools and some positions would only be funded part-time. There was no evidence provided to the financial viability of the two operating schools and whether it was reasonable for these schools to take on the cost of funding positions for the high school without negatively impacting the operations of the two current schools.

The applicant stated that Omni Schools, Inc., and the other two schools would cover the cost of the facilities for the high school throughout the first five years of the school's operations. However, there was no evidence provided that Omni Schools, Inc., or the other two schools have the budgetary capabilities to take on all facilities costs including the lease, utilities, and custodial expenditures. The applicant's start-up budget only contains \$14,000 in expected revenue covering 0.10 of an Executive Director position. The review committee found a lack of evidence provided to demonstrate that this start-up plan and funding was realistic to provide a quality start for a new school.

Strengths Identified by the Committee:

Although the financial plan and capacity partially meets standard, the applicant was able to provide a reasonable and conservative financial estimate of student enrollment. During the capacity interview, the governing board and leadership team was able to articulate why the enrollment figures in the budget and those in the application differed, and this explanation showed a clear understanding of enrollment and funding processes for the operation of charter schools.



Evaluation Team

David Hanson is Managing Partner of Hanson Wells Partners (HWP), a contrarian value investing partnership. Prior to founding HWP, Mr. Hanson was a Vice President at Deutsche Bank, responsible for providing investment banking advisory services to both public and private companies in the financial services industry. Mr. Hanson attended Wake Forest University and an executive program at Columbia Business School. Active in community and charitable efforts, Mr. Hanson serves on the Board of Valor Collegiate Academy, and supports KIPP Nashville, the Second Harvest Food Bank of Middle Tennessee, the Nashville Entrepreneur Center, the Phoenix Club of Nashville, Wake Forest University, and Wake On Wall Street, among others.

Dr. Ally Hauptman is the Lead Faculty for Instructional Practice at Lipscomb. She has a Ph.D. in Teaching, Learning, and Teacher Education from the University of Nebraska, and has taught first and fifth grades as well as Special Education. She also has experience as a literacy and math coach. Her research interests include reading and writing motivation and best practices in literacy instruction.

Kelly Love is a reading specialist who received her B.S. from University of Texas at El Paso (UTEP) in 2001. She has a wide range of teaching experience that includes traditional, charter and private schools. She was a model teacher in the El Paso schools where she trained teachers in Reader's Workshop and Writer's Workshop as part of a district mandate. In 2007, she moved to the Nashville area and worked as a language arts teacher at LEAD Academy. She eventually became the reading specialist/coach to LEAD's middle school team. Mrs. Love is currently in her sixth year as an educator at Akiva School of Nashville.

Angela Sanders serves as the General Counsel for the Tennessee State Board of Education. In this role, she advises board members and staff on all legal matters relating to public K-12 education in Tennessee. Ms. Sanders works closely with the Director of Charter Schools to manage the charter school appeals and authorization process. She also prepares board-approved rules and regulations for review by the Attorney General and filing with the Secretary of State and provides interpretation of Board policies and rules to internal and external stakeholders. Prior to joining State Board staff, Ms. Sanders was an Associate Attorney in the Nashville office of Lewis, Thomason, King, Krieg & Waldrop, P.C., working primarily in the Education Law and Business Law practice groups. In this role, Ms. Sanders advised and represented education clients in a variety of legal matters and litigation including employment issues related to licensed and classified employees, employee and student discipline, employee and student rights, special education and disability accommodations, civil rights matters, tort liability and first amendment issues. Ms. Sanders graduated Magna Cum Laude from Saint Louis University School of Law and received her Bachelor's Degree in Communication from the University of Tennessee, Knoxville, Summa Cum Laude.

Tess Stovall serves as the Director of Charter School Accountability and Policy for the Tennessee State Board of Education. In this role, she manages the charter school application process and authorization duties of the State Board. Prior to joining the staff of the board, she served as the Transformation Facilitator at Cameron Middle School, the first district-led conversion of a traditional public school to a



charter school in Metropolitan Nashville Public Schools. While in Washington, DC, Tess worked for Congressman Jim Cooper (TN-05) and a centrist think tank, Third Way, on economic and education policy. She is a Phi Beta Kappa graduate of The George Washington University earning a Bachelor of Arts Degree in Political Science and Sociology and a graduate of the London School of Economics with a Master of Science Degree in Political Sociology. Tess is a member of the National Association of Charter School Authorizers' 2015 Leaders Program.

Holly Tilden currently serves in a dual role as the Dean of Instruction and Data and Assessment Coordinator for LEAD Academy High School in Nashville, TN. After graduating from Georgetown University in 2008, she began her career in education as a middle school math teacher and started teaching high school math at LEAD Academy in 2011. With six years in the classroom, a record of producing strong academic results for students, and experience leading both grade level and content area teams, Holly transitioned to a full-time leadership role in 2014. She now oversees the high school academic team, ensuring that both teachers and students have the resources they need to achieve excellent student outcomes.

Charlie J. Williams is a Nashville native and a 1991 graduate of Montgomery Bell Academy. Currently, he serves as Founding Director of Finance and Operations for STEM Preparatory Academy. Prior to joining STEM Prep, he served as Deputy Director for the Mayor's Office of Economic and Community Development in Nashville. His responsibilities in the Mayor's Office included managing corporate relocation and expansion projects, administering middle Tennessee's Foreign Trade Zone, and coordinating the city's electric vehicle infrastructure strategy. Previously, Charlie was a business lender and credit analyst with First Tennessee Bank, where he led the bank's expansion into Nashville's inner city neighborhoods. Charlie began his career as an entrepreneur, negotiating forward supply contracts for his company and importing raw coffee from the Chiapas region of Mexico. He graduated summa cum laude with a bachelor's degree from the University of Tennessee and holds a master's of business administration from the University of Oklahoma, where he was a Rath Scholar. Charlie has served on the board of directors for Fannie Battle Day Home for Children, the Margaret Maddox YMCA, the Neighborhoods Resource Center, the East Area Business Council, and the Nashville Area Chamber of Commerce. He is also a past member of the Metropolitan Nashville Board of Zoning Appeals.



EXHIBIT B

CHARTER SCHOOL APPLICATION EVALUATION

Name of the Proposed Charter School:	Omni Prep Academy High School
Sponsoring Organization:	Omni Schools, Inc.
Review Date(s):	May 2015 and July 2015

An application that merits a recommendation for approval should present a clear, realistic picture of how the school expects to operate; be detailed in how this school will raise student achievement; and inspire confidence in the applicant's capacity to successfully implement the proposed academic and operational plans. In addition to meeting the criteria that are specific to that section, each part of the proposal should align with the overall mission, budget, and goals of the application.

T.C.A. 49-13-108 (a)(3) states, "The grounds upon which the local board of education based a decision to deny a public charter school application must be stated in writing, specifying objective reasons for the denial." The district identifies deficiencies where applicable in each application. However, this is not an exhaustive list, as it is not the role of the district to serve as technical editor of applicants' submissions. It is the responsibility of all applicants to demonstrate authentic knowledge and capacity in each area of the application and to be conversant with the content and expectations set forth in the Tennessee State Department's Charter School Application.

Applications that do not meet or exceed standard in every area will be deemed not ready for approval.

SECTION 1 - ACADEMIC PLAN DESIGN AND CAPACITY

SCHOOL MISSION AND GOALS		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page
<ul style="list-style-type: none"> The mission centers on future endeavors and building character rather than student achievement. The mission statement does not define the purpose or what the school will look like when it is achieving the mission. The goals' focus on external factors is more prominent than the educational factors for the school. 		1
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
<p>The mission statement reflects what the proposed school seeks to accomplish in the area of student achievement and what the school will look like when it is successfully realizing its mission. Two goals were added that more clearly articulate the goals for student achievement and one of the existing goals now more accurately reflects the mission.</p>		1
Concerns/Questions		Page

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SCHOOL DEVELOPMENT		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page
<p>The connections between the elementary and middle school teachers and the high school are not a part of the school development. The high school is treated as a different component. How did the other schools influence the need to start a new high school?</p>		<p>7 8</p>
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
<p>Details on the founders' long term K-12 vision were added. The role of existing elementary and middle school teachers in the development of the high school was included. The contributions by parents and students were also added.</p>		<p>7-9</p>
Concerns/Questions		Page

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ACADEMIC FOCUS AND PLAN		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page
<ul style="list-style-type: none"> College preparatory and AP courses in math, science and social studies are only offered to seniors. The plan does not meet state requirements in science. Each course should be a laboratory science. Students will access the OPA-HS curriculum through multiple portals. They will use e-resources, media, Internet, and webinars. They will use technology and e-portfolios to create and organize their work. At what cost? What e-resources? What e-portfolios? Are e-portfolios being published on the internet? What are the practical implications? More information is needed on dual enrollment. The program of social studies offered at the school engages students in United States history and geography, world history and geography, economics, and government. The school plans to prepare students for success in AP courses (e.g., comparative government and politics, European history, macro/micro-economics, US politics). But why would a student take an AP course after taking these classes? AP courses are usually taken in place of these courses. This demonstrates a general lack of knowledge about what AP courses are and how they should be used by students and schools. The social studies program does not reflect the new state requirements which no longer includes World Geography as a credit for graduation. 		8-30
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
<ul style="list-style-type: none"> The course sequence table was updated to include AP courses. AP courses will now be offered beginning in the junior year but if freshman and sophomores seek AP courses, the school would work with them on an individual basis to ensure prerequisites had been completed. The composition section was updated to reflect TNReady and the writing components in the SAT and ACT. The math section was updated to include AP courses in the junior year to qualified students and an example of the AP course selection was included. The science section now reflects lab requirements and AP courses in the junior year to qualified students and an example of the AP course selection was included. The social studies section was revised and AP courses in the junior year to qualified students and an example of the AP course selection were included. The reference to World Geography as a credit needed to graduate was removed. The arts section was updated and AP courses in the junior year to qualified students and an example of the AP course selection were included. The world language section now reflects AP courses in the junior year to qualified students and an example of the AP course selection was included. A description of dual enrollment has been included. The integrated use of technology was amended adding detail about the use of multiple portals and the anticipated use of e-portfolios. 		9-13 19 24
Concerns/Questions		Page

ACADEMIC PERFORMANCE STANDARDS			
Initial Application Review			
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard	
Strengths			Page
Concerns/Questions			Page
<ul style="list-style-type: none"> The plan does not include authentic assessments, common assessments in content areas, or teacher created assessments as measures of success. Exit standards are merely outcomes that every student should master in a particular course. 			25
Amended Application Review			
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard	
Strengths			Page
<p>Three goals were added to reflect common assessments (interim, summative, e-portfolios, and authentic/performance assessments) and the table also includes TNReady.</p> <p>More detail was given on the plan to use ACT Explore and ACT Plan.</p> <p>The Real Pathways Goals were changed to include expectations for college application readiness.</p> <p>Information regarding the expense to students who take the AP exams was included.</p> <p>A dual enrollment goal was added.</p> <p>The exit standards better articulate the requirements and reference TNReady.</p>			25-26
Concerns/Questions			Page

HIGH SCHOOL GRADUATION STANDARDS – IF APPLICABLE			
Initial Application Review			
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard	
Strengths			Page
Concerns/Questions			Page
<p>More explanation is needed concerning the rationale for the attachment of ACT Readiness to an honors diploma.</p>			29
<p>The proposed school does not mention the state approved, modified credit option for students with documented disabilities. Students with disabilities may graduate with a regular diploma by substituting the four required math courses with Algebra A and B and Geometry A and B, and the three science courses with Biology A and B plus one additional lab science. Essentially, the student does not have to complete Algebra II and Chemistry or Physics to earn the regular diploma. The student receives the regular diploma but the course work on the transcript will only allow the student to gain entrance to a technical school, community college or gain employment that requires a high school diploma. The student would not meet admission requirements to a university program but this graduation option will help increase the graduation rate of Student with Disabilities.</p>			43-44
Amended Application Review			
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard	
Strengths			Page
<p>The honors diploma reflects the TN Diploma Project’s requirements which include ACT benchmarks for graduating with state honors. The state approved modified credit option for students with disabilities is included.</p>			28-31
Concerns/Questions			Page

ASSESSMENTS			
Initial Application Review			
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard	
Strengths			Page
Concerns/Questions			Page
<p>The assessment plan lacks some detail regarding the assessment instruments that will be used and how often they will be used. For example, it is not clear what instruments will be used for the interim assessments. Will the instruments be developed internally or purchased? How often will the interim assessments be given? On a positive note, they do identify their requirements for interim assessments. However, it is not clear if they have identified an existing assessment system that meets these criteria or if they will be able to develop such an assessment system.</p>			33-34
<p>Some of the terminology could be updated to be consistent with the new TNReady assessments that will be part of state-mandated assessments in 2015-2016. For example, TNReady English I should be used instead of English I End of Course. Also, writing will no longer be a separate assessment but rather will be a part of the TN Ready ELA assessment.</p>			24
Amended Application Review			
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard	
Strengths			Page
<p>The assessment section includes the requirements for TNReady and notes the frequency of exams. Detail was added regarding the instruments that will be used and a description of how the interim assessments will be developed was also included.</p>			33-35
Concerns/Questions			Page

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SCHOOL CALENDAR		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page

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SPECIAL SCHOOL POPULATIONS AND AT-RISK STUDENTS		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page

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SCHOOL CULTURE AND DISCIPLINE		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page

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MARKETING, RECRUITMENT AND ENROLLMENT		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page

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COMMUNITY INVOLVEMENT AND PARENT ENGAGEMENT		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page

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SECTION 2 – OPERATIONS PLAN AND CAPACITY

GOVERNANCE		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
<p>This organizations two existing schools (North Pointe Lower School and North Pointe Middle School) have not yielded data that produced the expected academic results. In fact, the lower school has significantly underperformed.</p>		
Concerns/Questions		Page
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
<p>When making authorization decisions to grant additional charters to existing operators, the local board of education considers the capacity of the organization which includes the past performance data of the its current schools. This organizations two existing schools (North Pointe Lower School and North Pointe Middle School) have not yielded data that produced the expected academic results. In fact, the lower school has significantly underperformed.</p>		
Concerns/Questions		Page

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START-UP PLAN		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page

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FACILITIES		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page

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PERSONNEL/HUMAN CAPITAL		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
The plan for human resources is thorough and citations were provided.		62
Concerns/Questions		Page
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page

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PROFESSIONAL DEVELOPMENT		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page

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INSURANCE		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page

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TRANSPORTATION – IF APPLICABLE		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Not applicable – the school will not provide transportation.		
Concerns/Questions		Page
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page

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FOOD SERVICE		
Initial Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page
Amended Application Review		
Meets or Exceeds Standard	Partially Meets Standard	Does Not Meet Standard
Strengths		Page
Concerns/Questions		Page