

Partners for Student Success:

Nonprofits Deliver Wins for Federal Charter School Program

By Alan Gottlieb



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“Allowing nonprofits to manage these grants is arguably the ***most innovative reform*** to the federal CSP since its inception in 1994.”



Foreword

One of the most complicated, yet rewarding, projects we run in Idaho is our state's federal Charter School Program (CSP) grant. From 2018 to 2023, Bluum was responsible for Idaho's \$22 million Communities of Excellence CSP grant, which we described as "a statewide consortium led by Bluum designed to foster the development, expansion, and replication of high-quality charter schools in Idaho." In 2018 only three statewide non-profits took on this responsibility – the Oklahoma Public School Resource Center, the Arkansas Public School Resource Center, and Bluum.

In the early days we visited our friends in both Oklahoma and Arkansas to learn from them and to share what we thought we knew. In truth, the first few months of our work felt sort of like the "clueless leading the clueless," but we figured it out. Idaho owes a debt of thanks to our friends in Oklahoma and Arkansas for their help and commiseration along the way.

As part of our 2018 CSP proposal we promised to share widely and open source any, and all, lessons, tools, and processes Bluum developed. We've tried hard to stay true to that vision of openness and sharing in all the work we've done. We figured taxpayers deserve nothing less. Frankly, all of us doing this work in our states are in it together. The hard work is made easier when you have friends to ask for help along the way.

Fast forward to 2023 in which there were six statewide nonprofit entities awarded CSP grants totaling almost \$210 million. Bluum, successfully completed and closed out its first CSP grant in 2023, and was one of the six 2023 recipients to earn a grant reward (\$24,878,000). Funny as it may seem to us, we are also one of the "veteran nonprofit" groups leading this CSP work in the country.

After seven years of CSP work, we thought it would be beneficial to gather ideas and lessons learned from our friends across the country. Everyone doing this work reports voluminous amounts of information and data up to the U.S. Department of Education and to the various research groups they work with, such as WestEd.

CSP work is no joke; as the founder and CEO of the Lumen group, Lisa Diaz shared, "I've run multiple federal grants, and CSP is by far the hardest one with the most requirements, with the most I's to dot and T's to cross, of any grant I've ever seen."

For this report, we engaged the Denver-based veteran journalist Alan Gottlieb. Alan is a long-time observer and reporter of education and charter school issues and was co-founder and editor-at-large of Chalkbeat. Alan, in his understated manner, observed that, "allowing nonprofits to manage these grants is arguably the most innovative reform to the federal CSP since its inception in 1994."

There is much here to unpack and share. Alan is a pro and not surprisingly he has done an excellent job of this in *Partners for Student Success: Nonprofits Deliver Wins for Federal Charter School Program*. He speaks with the leaders doing this state level CSP work in New Jersey, New Mexico, Oklahoma and Idaho. He shares some history, context and insights from national charter school leaders and experts on the CSP grant program. He also interviewed school leaders in these states that have utilized CSP subgrant support to start and/or expand their public charter schools. It's a compelling story that is still in its early chapters.

Nonprofits can serve as worthy CSP partners with the U.S. Department of Education and are well positioned to help lead states in the never-ending struggle to improve schools and learning opportunities for our families and children. This is backed up by the good work reported in *Partners for Student Success*. We hope this report can help inspire others, while serving as a source of realism for those of us undertaking this work and for those who might be thinking of undertaking it.

Terry Ryan

CEO & Founder
Bluum



Acknowledgements

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Thanks greatly to school leaders Jade Rivera (Executive Director of Albuquerque Collegiate), Elsie Urueta-Pollock (Founder of Tulsa Honor Academy), Katie Hahn (Co-founder of Kindie Education Public Charter School), Kelly Trudeau (Founder of Compass Public Charter School), Michelle Ball (Executive Director of Alturas Academy) and Brian Bingham (Principal of Alturas Preparatory). Special thanks to our national partners Jed Wallace (Charter Folk), Lisa Diaz (CEO of the Lumen Group), Pattie Gipson (Chair of the Public Education Commission for New Mexico), and Christy Wolfe (Senior Vice President at the National Alliance for Public Charter Schools).

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Everything we do is a team effort.

Albuquerque Collegiate Charter School, New Mexico



Introduction

When Public Charter Schools of New Mexico Executive Director Matt Pahl learned late in 2023 that his small nonprofit advocacy organization had won a five-year \$52 million U.S. Department of Education Charter School Program (CSP) grant to expand, replicate, and open new charter schools in the state, his first reaction was jubilation.

That was followed in short order by a degree of trepidation. “We are very excited and also scared a little bit,” Pahl said.

A first taste of what it can be like working with a massive federal bureaucracy came when the organization received an email announcing the good grant news. But the email didn’t include the amount awarded.

“That was a big unanswered question, obviously,” Pahl said with a laugh. “To find that answer, we had to log into this big federal dashboard, which we hadn’t done before. It took us a whole day to figure it out. That was definitely an intro to ‘ok, we’re working with the feds now.’”

Pahl’s initial experience encapsulates the promise and challenge of the federal Charter School Program’s expansion to nonprofit Charter Support Organizations in 2017. Before then, only state agencies (and in rare cases Charter Management Organizations) had been eligible for the large-scale grants, aimed at bolstering the charter sector across the country.

Allowing nonprofits to manage these grants is arguably the most innovative reform to the federal CSP since its inception in 1994. It allows organizations and individuals who work with charter schools to administer the program, providing subgrants to open new schools and expand or replicate successful existing schools.

While state departments of education have the infrastructure to administer large federal grants, they frequently lack the nimbleness and intrinsic motivation of nonprofit support organizations that exist to promote the development and sustainability of high-quality charter schools.

Conversely, nonprofits established to support charter schools often lack the infrastructure, at least initially, to manage federal grants, with their onerous reporting and accountability requirements.

These organizations have a steep learning curve about the areas of expertise for which they must hire or contract to manage these programs successfully.

Fortunately, advocates and early grantees have built a strong support infrastructure to support new grantees as they come online. The result has been a significant strengthening of the charter school sector in the 13 states where nonprofits have received CSP grants over the past seven years. In some states, private philanthropy has played a key role in leveraging and augmenting the federal funds to expand and strengthen the charter sector.

This report will examine five major themes that have emerged from this shift in the Charter School Program from state agencies to a mix of state and nonprofit grantees. We will focus on the lessons from the perspective of statewide Charter Support Organizations in four states:

- The Oklahoma Public School Resource Center, recipient of the first grant to a nonprofit, \$16.5 million in 2017, and a second \$55.1 million grant in 2023.
- Bluum, an Idaho nonprofit, which received a \$22.5 million grant in 2018, and a \$24.9 million grant in 2023.
- The New Jersey Public Charter Schools Association, recipient of a \$63.2 million grant in 2020.
- Public Charter Schools of New Mexico, which received a \$52.8 million grant in 2023.

Before delving into the themes that have emerged, we’ll provide a brief history of the federal Charter School Program, including how it came to include statewide nonprofit Charter Support Organizations.

That change has been transformative for the sector over the past seven years, even as it has posed challenges for the organizations receiving the grants.

“No one should be naive about the level of financial chops that are needed to handle a federal grant of this size,” Jed Wallace, a prominent national charter school advocate, said. “But with nonprofits receiving these grants, we see more effective administration of them, especially as it relates to growth and delivering on the charter school mission.”



A Brief History

“As compared to the rancor of today’s education politics, the Charter Schools Program’s (CSP) creation was bipartisan and relatively swift,” Virginia Gentles writes in her excellent report, “Charter Schools Program: Federal Investment in Educational Opportunity.” The program launched in 1994, when President Bill Clinton signed it into law, following a multiyear bipartisan effort spearheaded by the Republican U.S. Senator Dave Durenberger of Minnesota and Democrats Joe Lieberman (Connecticut), Dave McCurdy (Oklahoma), and Ted Kennedy (Massachusetts).

For more than two decades, the program provided grant funding in the tens of millions of dollars to State Education Agencies (SEAs). The agencies would then provide subgrants to charter school developers. Over the years, the program continued to be reauthorized and expanded by Congress.

In 2013, the National Alliance for Public Charter Schools (NAPCS) published a report titled *Free to Succeed: Public Charter Schools and the Reauthorization of the Elementary and Secondary Education Act*. “Charter schools are no longer an educational experiment, but a robust, 20-year-old sector that, according to the most recent research, is improving educational outcomes across the country,” the report said. “A reauthorized ESEA needs to ensure that federal funds for charter schools encourage the creation of high-quality schools, while at the same time it protects the freedom of charters to innovate.”

The report was one of the first public documents explicitly calling for the inclusion of nonprofits in the federal CSP.

The big change came in 2015, with passage of the Every Student Succeeds Act (ESSA). Under that law, organizations like statewide charter school support organizations, statewide charter school authorizing boards, and governors could also receive grants to distribute to promote growth and replication of charter schools.

In 2017, the Oklahoma Public School Resource Center became the first nonprofit to receive a federal CSP grant – \$16.5 million over five years.

The Oklahoma State Department of Education had expressed little interest in pursuing the grant and gave its blessing for the Resource Center to apply instead.

Eric Doss, the Resource Center’s Director of Quality Charter Services, was assigned the task of overseeing the grant, even though he had joined the organization just weeks before it got the grant.

“The first time I read the grant was when I learned we had received it,” Doss said. “I had no idea what this thing was. And that quickly became my gig and has been for the past six years.”

Once that precedent was set it wasn’t long before nonprofits in other states began applying and receiving CSP grants. Between 2017 and 2023, nonprofit charter support organizations in 13 states have received grants totaling \$557 million. Large portions of these funds have been subgranted to dozens of charter schools across the country.

Anyone who has ever administered a federal grant of any type or size knows that it is no simple task. Nonprofits receiving CSP grants quickly learned that lesson. Since then they had to staff up, hire people with expertise in finance and grants management, contract with a variety of consultants, and learn how to keep meticulous records required by the U.S. Department of Education.

Lisa Diaz, founder and CEO of the Lumen Group, hired by the NAPCS to create a “community of practice” supporting CSP grantees, said CSP grants are especially difficult to administer. “I’ve run multiple federal grants, and CSP is by far the hardest one with the most requirements, with the most I’s to dot and T’s to cross, of any grant I’ve ever seen,” she said.

Despite that challenge, the expansion of the federal CSP to nonprofits created a blossoming of the sector in the states that took advantage of this opportunity. Now, seven years after the first CSP grant went to a nonprofit, several consistent themes have emerged illustrating the program’s strengths, opportunities, and challenges, which we will examine in this report.



Theme 1:

Adding nonprofits to CSP was vitally important, because state agencies often lack motivation to run robust programs using federal charter school funding, and in places seem ambivalent about the program.



During the first 20-plus years of its existence, the federal CSP made grants almost exclusively to State Education Agencies, which then made subgrants to schools to expand and enhance the charter sector in their states. While charter school advocates appreciated the federal largesse, many felt a growing sense of frustration at the inefficiency and in some cases intransigence of state bureaucracies in distributing these funds to school operators.

“I was beating on this idea (of grants going to nonprofits) from the very, very beginning,” said Jed Wallace, who at the time was serving on the board of the National Alliance. “I could see that when you have SEAs that are at best dispassionate about whether or not there’s charter school growth, then too often they will use any excuse not to give out any money, and take absolutely no risk on the funds they do give out.”

Jade Rivera, founder and executive director of Albuquerque Collegiate, a K-5 New Mexico charter school, received an \$800,000 subgrant administered by the New Mexico Public Education Department in 2018 to help get her school off the ground. She has applied to Public Charter Schools of New Mexico for a highly competitive subgrant this year.

Rivera said she is thrilled that the nonprofit is managing the federal grant this go-round.

If you talk to anyone who received a CSP grant in the last five or six years, you will hear that we are all tremendously excited to see this be administered and managed by Public Charter Schools of New Mexico (PCSNM) instead of the Public Education Department,” Rivera said. “It’s a relief not to be reliant upon the department, where there are just so many backlogs and so much turnover.”

Rivera said the department was frequently bogged down and behind in its work. When her school asked for reimbursements through the grant for funds expended, it often took 90 days to get the money. As a startup charter, she said, cashflow is often an issue, and such long waits put schools in a difficult position.

“More than once we were put into situations, as were many other schools, where we were having to pay vendors late, or vendors were saying hey, we can’t keep working with you if you can’t pay us, and we had to say we’re waiting for this money from the state. That’s just unacceptable,” Rivera said.

Pattie Gipson, chair of the Public Education Commission, New Mexico’s statewide charter school authorizer, said she is hopeful that having PCSNM administer the grant will speed the flow of reimbursements to schools.

“We supported PCSNM getting the grant and so did PED because at least they recognized the struggle and couldn’t implement any systems to make it better. So they were more than willing to support PCSNM getting the grant,” Gipson said.

In Oklahoma, the state Department of Education was lukewarm about the federal program, despite the large grants available. In 2016, the nonprofit Oklahoma Public School Resource Center drafted a grant proposal on behalf of the department, believing the grant funding would benefit the state’s charter sector even if administered by the state; that proposal did not win funding. But, the organization gained experience from the first attempt, which benefited it when it submitted its own proposal the following year.

“We had come close to the previous year, from what we heard, and we of course got feedback on the proposal from the U.S. Department of Education,” said Eric Doss. “When the rules changed in 2017 and we were able to apply ourselves, we went to the state department, and they basically told us ‘we don’t want to do it, you can do it yourselves.’” So that’s what we did. And we got funded.”

State education departments have a plethora of responsibilities, oversight of charter schools being just one of them. As a result, dealing with a federal grant, even in charter-friendly states like Oklahoma and Idaho, can be more than an agency wants to take on.

That’s another reason the expansion of the CSP to nonprofit support organizations has been so vital to the sector. “Some of the states that have gotten a CSP grant in recent years, I don’t know that those states would have gotten it (before nonprofits were allowed to apply) because the state agencies would have said, ‘No, we don’t want to deal with this. This isn’t a priority of ours,’” said Diaz of the Lumen Group.

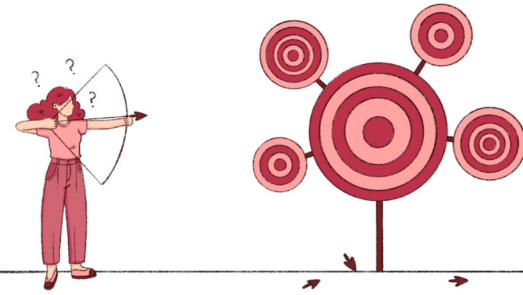
That leads us to our next overarching theme.

Deborah Brown Community School, Oklahoma



Theme 2:

Nonprofit charter support organizations are highly motivated and close to the ground, but face initial capacity challenges administering a massive CSP grant.



For a nonprofit, getting a federal CSP grant worth tens of millions of dollars can be akin to the dog catching the car. This is great, but now what?

“On the one hand, these entities are really at a disadvantage when it comes to any capacity to manage federal grants, if they’ve never done it before, and that’s been a heavy lift,” said Christy Wolfe, a senior vice president at the National Alliance for Public Charter Schools. “But on the other hand, like charter schools, they’re nimble.”

Public Charter Schools of New Mexico staff were thrilled to learn in the fall of 2023 that they received the full \$52.8 million requested from the U.S. Department of Education. Those funds would allow the organization to make 28 subgrants to expand the charter sector in New Mexico by 7,500 seats by adding new schools in rural areas, expanding successful schools, and replicating promising models across the state. The grant application also promised to create a new cohort of advocates by providing fellowships for parents and emerging school and community leaders, and to improve the authorizing landscape in the state.

Before any of that could happen, however, the organization had to increase its staff and find capable contractors to provide technical assistance to schools. Until that happened, PCSNM chief Matt Pahl and his staff of three had to manage the grant and all the organization’s other responsibilities simultaneously.

For the first three months after receiving the \$52.8 million CSP, Pahl said, there were weeks when he and his deputy, Valery Ratliff-Parker, spent what Pahl estimated was 80 percent of their time on the CSP grant.

“We have a significant time allocated to the grant. But we don’t have all of our time, and there were weeks where it had to be the main focus,” he said. At the same time we were gearing up for the legislative session, and we had our annual conference to plan. We got through it, but it was rough at times.”

Pahl has since hired a full-time CSP grants manager. Also, Pahl formerly worked at the PED, and helped run the earlier CSP grant from there. As a result, he is fully aware of the systems needed to manage a CSP grant effectively, even though, he said, the department’s systems were far from state-of-the-art.

Rather than add a large number of new staff, Pahl said he will contract for some services PCSNM plans to provide, especially technical assistance to help new charters open and high-performing existing schools expand grade levels or replicate.

“We don’t have a lot of space for technical assistance. We are primarily an advocacy organization,” Pahl said. “We’ll be working with contractors. It’s such a huge opportunity that we’re not just going to pick the contractual partner that’s close to us. We need to do a lot of due diligence, find a handful of good, well recommended folks and vet them thoroughly.”

In Idaho, the CSP grant was seen as part of a larger strategy led by the education nonprofit Bluum and funded largely by the J.A. and Kathryn Albertson Family Foundation (JKAF) to grow Idaho’s public charter school sector. Bluum was created to help manage grants and grow schools in 2015 so the CSP grant was a natural fit for it.

Even with that grant management structure in place, however, Bluum applied in 2017 and did not win a CSP grant. “Losing that competition was the best thing that ever happened to us because we learned a ton about the CSP grant and how to customize it to our efforts in Idaho,” remembered Bluum CEO Terry Ryan.

Bluum did win a grant in 2018 and quickly realized the CSP work was daunting. For example, there are a number of approvals that must be secured from the U.S. Department of Education before a first subgrant competition can even be held. This can take months to finish.

CSP grants are structured to allow recipients to dedicate three percent of funds expended on administrative costs. But the grants prohibit organizations from spending that money until subgrants have been disbursed. This constrains organizations that do not have substantial other sources of funding.

In Idaho, JKAF recruited Terry Ryan from the Thomas B. Fordham Institute in Ohio and Building Hope from Washington DC in 2013 to help design, manage and lead its “20 in 10” initiative, promising 20,000 high-quality Idaho charter school seats over a 10-year period. The foundation has allocated tens of millions of dollars into the state charter sector, with Bluum leading this growth.

From the outset, Bluum’s mission was to grow Idaho’s public charter sector and the CSP grant helped accelerate its efforts significantly. Having a top-notch finance and operations person, Marc Carignan, who had worked for Grant Thornton and was experienced auditing a variety of nonprofit organizations including the Archdiocese of Los Angeles; as well as Amy Hukkinen, a CSP funded grant manager with deep experience in K-12 education and a background in technology and system improvement, allowed Bluum to hit the ground running in 2018 when the grant was awarded.

“We were already managing significant amounts of private philanthropy and helping schools with their back-office operations, so accounting systems and those sorts of things had already been built by our finance team,” Ryan said. “CSP required more infrastructure, Marc and Amy did a great job of elevating it to another level.”

Still, Bluum’s early experience managing its first grant had its challenges, Ryan recalled. Consultants for the federal education department, accustomed to working with state agencies, encouraged Bluum to purchase a large and complex grants management system that had been used elsewhere. Ultimately it didn’t work out well. Essentially, Bluum was encouraged to buy a Humvee when what it needed was a Prius.

“Funding 20 schools over five years is very different than being a state department of education that is managing multiple federal grants and all sorts of other programs and projects at the same time,” Ryan said. “Our instincts were ‘we don’t need all of this.’

But consultants, who truly wanted to see us be successful and who had worked with state agencies, were convinced we did need it.” In these early days, Ryan shared, “conversations with our friends in Oklahoma were soothing.”

The lesson Bluum took from severing its initial contract with a grants management group was that “this work really does need to be from the ground up,” Ryan said. “There aren’t any shortcuts. There is no one-stop solution. You really need to own it and build it from the ground up.”

When Hukkinen joined the Bluum team as federal grants director she had wide-ranging corporate and education experience but little knowledge of charter schools or federal grants. Her background still positioned her well, not only to help Bluum get its systems in place, but to provide advice and support to nonprofit CSP grantees in other states (see the Theme 4 section below).

“We said in our 2018 grant application that Bluum would become a resource for other nonprofits doing this work and that we would share all of our lessons and resources pro bono and as open source,” remembered Ryan.

What Hukkinen found talking to people responsible for the CSP grant in other states was that they were in a situation similar to hers when she started at Bluum. “Most of the folks that I’ve talked to in this space from other nonprofits, they usually were not hired until after the grant was awarded to their organization. So they probably weren’t part of the team that applied. That means they were trying to learn their organization’s mission at the same time they were managing this massive grant.”

Olivia Tremble was the person hired in January 2021 by the New Jersey Public Charters School Association (NJPCSA) to manage its \$63.2 million grant awarded in 2020. She was the organization’s fourth employee; it now has eight.

NJPCSA received their CSP grant at a time of great transition within the organization. Until 2019, NJPCSA was primarily a technical assistance organization, providing support to the state’s charter schools. In 2019, Harry Lee was promoted to president and CEO of the Association and led a dramatic shift away from direct technical assistance into advocacy.

That shift paid off when the CSP grant came through the following year. Today, 81 out of the state's 83 eligible charter schools are dues-paying members of the Association, representing one of the highest membership rates in the country.

As a small organization with a new focus in a state where shifting political winds had made the charter landscape more challenging, NJPCSA faced an uphill battle meeting its grant target of 38 subgrants for new, expanding, or replicating schools.

"An advocacy organization at heart," as Tremble described it, the Association has relied on a variety of partners, overseen by her, to run its subgrant program. "As a nonprofit, we're not steeped in bureaucracy. We don't have a finance department and a school performance department. We didn't have a department to do all of the reimbursements," she said. "We have partnered with some consultants to help us with that because we needed more capacity."

The upside of that structure, Tremble said, is that the Association staff can focus on higher-level strategy: "What the sector needs, what our schools need, how can we be responsive to them? We've been really nimble and open to changing our processes, and part of that is because we've had to figure out how to do this with a small staff."

Another challenge for some nonprofit CSP grantees is that managing the grant and disbursing subgrants creates a new relationship and dynamic between the organizations and charter schools. These organizations must shift from being purely supporters and advocates to also being compliance officers.

"We want to be their advocate, but we also have to meet the compliance requirements of this grant," New Jersey's Tremble said. Lumen Impact Group, as a partner in this work, has at times gently played the role of explaining compliance requirements, which has made the dual role easier to implement for NJPCSA. "While we are ultimately responsible for all oversight and decision making, it's great to have Lumen as a partner in this work", Tremble said.

Jade Rivera of Albuquerque Collegiate said she sees that dual role as a positive rather than a potential conflict. When the state Public Education Department managed the CSP grant, she said, its singular role was managing the funds and holding subgrantees responsible for reporting. With PCSNM in charge, she anticipates support along with compliance oversight.

"I'm really excited to see what it looks like from my perspective for them to be doing both management of the funds and acting as a support and resource," she said.

Rivera, who is hoping to receive one of just a handful of subgrants in the grant's first year, said she hopes whatever schools do get funding have some patience and forbearance as the PCSNM-run program rolls out.

"Everyone needs to be understanding that there are going to be some bumps in the road, especially this first year," she said. "I hope that with that in mind the schools that receive that first year of award are flexible, recognizing that this is almost like a startup. Folks who are gritty and nimble and can figure out the solutions and be flexible and responsive are the ones who will benefit the most."

Albuquerque Collegiate Charter School, New Mexico



Theme 3:

Break-the-mold schools serving a variety of students have blossomed under nonprofit CSP management.



Charter support organizations that received CSP grants over the past seven years often have a better sense than do state agencies of where high-quality schools would best fit to provide a top-notch education to underserved populations. Whether this means opening new schools in communities without many charter schools, replicating existing models, or expanding grade levels of existing charter that have performed well, the CSP grantees have made significant positive impact on education in their states. What follows are a few brief examples.

OKLAHOMA

Elsie Urueta-Pollock opened Tulsa Honor Academy in 2015 in a low-income section of Tulsa, Oklahoma, as a grades 5-8 middle school. Having grown up in the neighborhood herself as a native Spanish-speaker, she knew that existing schools in the area weren't serving kids with her background well.

"Growing up, very few of my peers went to college and even fewer graduated," Urueta-Pollock said. "I knew that it wasn't that my peers didn't have aspirations, or dreams, of going to college. I knew that it's not that they weren't smart. It was the education and the opportunities that I got thanks to my very determined, amazing mother that my peers were not necessarily getting."

"I was the only brown kid in my AP classes. I was the first person of Latino descent to be a student council officer at my high school. I was always the only one or the first one and I was really tired of that."

Urueta-Pollock, a Teach for America alumna and the recipient of a Building Excellent Schools fellowship, conceived Tulsa Honor Academy as the antidote to the pervasive and persistent problem of opportunity gaps in her hometown. To open the school, she relied on other sources of funding, primarily philanthropy, rather than CSP grant funds. It was a struggle at first, moving from location to location until the school finally purchased its own building – the first charter school in Tulsa to accomplish this.

"By the time our first graduating class were seniors, they had moved seven times," she said. "It took a lot to get where we are now."

One big boost came when the Oklahoma Public School Resource Center became the recipient of the federal CSP grant. Though Tulsa Honor Academy did not apply for the first year of funding in 2017, the school received a \$900,000 grant for expansion through high school in 2018 and in 2020 another \$900,000 grant to open a second middle school and a third \$900,000 grant to enlarge the high school.

"We weren't planning to add the second middle school until much later, but the demand was so great that we moved that forward, which meant we needed to expand the high school to accommodate those students," Urueta-Pollock said. "We were basically doubling the size of the high school," to about 900 students.

The high school will be fully enrolled in three years and the size of the Tulsa Honor Academy student body, with two middle schools and a high school, will be about 1,700.

OPSRC provided Urueta-Pollock with far more than just funding, she said. "They offer a plethora of supports, which has been a real lifesaver," she said. These include budgeting and finances, and connection to the national community of practice run by the Lumen Group.

"The type of person Eric (Doss) is, he makes sure schools get the supports they need – even schools that are not subgrantees," she said.

NEW JERSEY

The two terms Chris Christie served as governor, from 2010-2018, saw significant growth in the number of new charter schools that opened in the Garden State. Today, New Jersey has Democratic supermajorities in both legislative houses and a Democratic governor who is not as philosophically aligned to the idea of chartering.

The state's authorizing structure also poses significant challenges. The New Jersey Department of Education is the state's sole authorizer and the Commissioner of Education has final say in all charter school applications.

Still, thanks in large part to the \$63.2 million CSP grant awarded to the New Jersey Public Charter Schools Association in 2020, charter growth and expansion has continued. Overall, there are 85 charter schools in New Jersey, serving more than 62,000 students.

But most of the grant-fueled growth since 2020 has been in expansion of existing schools rather than the opening of new schools. In fact, over the past five years, just two new charter schools opened in the Garden State. The rest of NJPCSA's 24 subgrants since 2020 went to expansions.

"That's how we're able to see the most growth of new seats in New Jersey," NJPCSA's Olivia Tremble said.

One of the two new charters is Kindle Education Public Charter School, a grades 6-12 school in Jersey City. Opened in the fall of 2023 with sixth grade only, the school will expand by a grade level each year until 2029.

Katie Hahn, who co-founded the school with her husband, D.J. Hartigan, said it would have been difficult to open without the \$1.25 million, three-year CSP subgrant, and impossible without other assistance from the charter school association.

Kindle might not exist (and certainly not in Jersey City) were it not for the advocacy work of the Association in general and Harry Lee in particular, Hahn said. She and Hartigan were looking to open a school outside of New York City, where both were educators, because of the charter school cap that was imposed there.

"We were considering a number of different locations in the metro area, or more broadly, the northeast, to see where a good fit for our particular school model might be," she said. That model "combines holistic personalization and deeper learning within an intentionally diverse school community," according to Kindle's website.

"Harry convinced us that despite the difficult climate in recent years, New Jersey was ready to approve a new school and that Jersey City would be a great fit for us," Hahn said.

The CSP subgrant allowed Kindle to fund its planning year, bring on some staff and hire consultants to help build the curriculum, train the staff, and recruit students. It also helped pay for furniture and for upgrades to the temporary facility where the school is housed during its inaugural year before moving into a permanent building.

In its first year, Kindle's student body is as diverse as planned, with about 60% of students eligible for federally subsidized lunches from a mix of races, ethnicities, and educational backgrounds.

"In New York City or New Orleans, for example, charter schools tend to be very racially homogenous," Hahn said. "But for Jersey City, which is, by some measures, the most diverse city in the country, we want to be racially, ethnically, and socioeconomically as diverse as possible."

As a standalone school not part of a national or regional Charter Management Organization, it would have been difficult for Kindle to open without the CSP subgrant. CMOs can provide the funding and infrastructure to have a good planning runway. The subgrant helped fill that gap for Kindle.

The school has other funders as well, including the Charter School Growth Fund and the New Schools Venture Fund.

Hahn said that NJPCSA has been helpful beyond providing the subgrant. "The Association has been very active in supporting their schools and they have an advocacy arm as well. That's been particularly active in recent years and gotten some great wins," she said.

IDAHO

The charter school sector in Idaho blossomed over the past decade thanks in large part to the targeted giving of the J.A. and Kathryn Albertson Family Foundation (JKAF), the creation of Bluum in 2015 to help strengthen and expand the state's charter school ecosystem, the recruitment of Building Hope to help finance facilities, and the emergence of a collection of outstanding homegrown public charter schools.

Since 2018, Idaho added 10,387 public charter school seats and saw the percentage of students in its public charter schools expand from 7.3% to 10.1% of all public school students.

Bluum won two CSP grants over the past five years; a \$22.5 million grant in 2018, and a \$24.9 million grant in 2023. Since 2019, Bluum has distributed grant funds from the first grant to 28 schools for start-up, replication, and expansion. Bluum is also managing a \$3.5 million federal CSP Credit Enhancement grant that supports the pre-development costs for facilities.

Thanks to the efforts of Bluum and JKAF, augmented by CSP program funding, two highly promising trends stand out. First, successful charter school networks are beginning aggressive replication efforts and are expanding across the state.

Second, the variety of school models is truly impressive. Outside of traditional college prep schools, there are trailblazing Career and Technical Education (CTE) schools, a growing network of classical academies, an arts-focused school, and a progressive STEM school where students are referred to as engineers, to name just a few.

One of Idaho's older charter schools is Compass Public Charter School, a K-12 school in Meridian that opened in 2005. Compass has benefitted from a CSP grant and expanded its seats to about 1,250 over the past several years. Kelly Trudeau, the school's founding administrator, said \$800,000 in CSP funds helped the school add 320 additional seats over the past few years.

Idaho EdNews has ranked Compass as one of the 10 best-performing schools in the state as measured by standardized test scores. Its success led to demand for school growth from both from parents and the Idaho Public Charter School Commission.

Compass was already in the process of building its own facility when the CSP grant came through, so the school used the bulk of its grant money to purchase furniture and technology for its new building.

"We used all of our grant money within the first year, unlike many schools that spread it out over time," Trudeau said. "We bought all of the furniture to go into the new building." Compass also bought a playground structure and used a bit of the grant money to complete the new school's gym.

"Timing-wise, it worked really well for us," Trudeau said.

Beyond grant funding, Trudeau found the community of charter leaders assembled by Bluum and JKAF to be highly beneficial. "Honestly, sometimes I don't know what's Bluum and what's JKAF and what's CSP," she said with a laugh.

But, Trudeau added, "they convene charters every year for a retreat and that provides a great opportunity for us to get to know each other and bounce ideas and challenges off each other for new ideas."

Another established school that has benefitted from CSP funds is Alturas Preparatory Academy, a grades 6-12 school in Idaho Falls. The school represents an expansion of their K-5 school, Alturas International Academy. Both schools are certified by the International Baccalaureate organization.

Alturas Prep opened in August 2021, serving grades 6-10 and has since expanded through grade 12. The school used its \$800,000 CSP subgrant to create the learning environment envisioned by Executive Director Michelle Ball and Principal Brian Bingham.

The school is in a former Sears department store. This, Bingham said, allowed designers to incorporate extra-wide hallways – 18 to 20 feet. Classrooms have garage-style doors that open into the corridors, and groupings of comfortable furniture in the halls allow students to work collaboratively in a more informal environment.

"There was a big expense in getting the furniture for those collaborative spaces so that it could support our instructional model," Bingham said. The school also used the grant funds to purchase Chromebooks for all students.

“We looked at all the different ways that we wanted to utilize those funds, and all of them were in one way or another directed towards supporting student learning, and student outcomes,” Bingham said. “It’s been really nice having those initial funds infused into our budget so that we could create the type of instructional environment and academic environment that we wanted our students to participate in.”

The CSP grant went a long way toward compensating for other funding shortfalls endemic to Idaho, Ball said. “We would have never been able to open up a school like this without that federal grant because you know, as a charter, we can’t levy and that’s a difficult thing for charters,” she said.

Ball said grant funds also went toward purchasing state-of-the-art equipment for science labs and high-quality musical instruments for the school’s robust music program.

“I was a teacher for 37 years and the stuff that we received through this grant takes years and years to accumulate in a classroom. And a lot of it typically comes out of a teacher’s own pocket,” Ball said. Normally it would take a school at least five to 10 years to have what we started with.”

Alturas has ambitions to expand and open a new K-8 campus in nearby Rigby. Ball said she is applying for a new CSP subgrant through the latest federal grant Bluum received.

NEW MEXICO

Albuquerque Collegiate Charter School provides a strong example of the kind of school charter advocates dream about when promoting the sector. The K-5 school serves a primarily Hispanic, low-income population. The New Mexico Public Education Department rates Albuquerque as a School of Excellence, meaning it’s in the top 10 percent of schools in the state.

Founder and Executive Director Jade Rivera said her school is the only school of any type in the southwest quadrant of the city to earn that high rating.

“It really speaks to the issue of equity,” Riviera said. “Most of the schools that received that designation in Albuquerque are in the northeast quadrant (a more affluent part of town). And so for us to have that designation in one of the most impoverished areas in Albuquerque demonstrates what is possible with our school model.”

Albuquerque Collegiate recently won approval from the Public Education Commission, the statewide authorizer, to expand into a middle school. To make this possible, Rivera applied for a \$1.5 million subgrant to Public Charter Schools of New Mexico. But only two grants will be awarded for expansion in the program’s first year, so competition is fierce – 19 schools are vying for those two subgrants.

The school is expanding regardless of the grant application outcome and is also moving to a new facility that can accommodate both the growing elementary school and the middle school.

Rivera hopes to hear by sometime in the summer about whether her application was successful. It’s only fitting that the process is competitive, she said: “It should be a little bit difficult to get these funds. We’re asking for a million and a half dollars. The process should be thorough.”

If she gets the grant, Rivera said it will go toward start-up costs, including the purchase of equipment and furniture. “One thing I learned the first time around is that education is expensive to lift off the ground,” she said.

Whether Rivera gets a subgrant or not, she said she appreciates the effort PCSNM made to simplify the application process by shielding subgrantees from the complexities of federal grant applications.

Rivera said she is also excited about PCNMs plans to use some grant funds to support schools with technical assistance and connections. This, she said, will be especially helpful to new schools.

“Schools that are just starting out or are thinking about expansion for the first time, it’s a daunting process. We all need good thought partners in this work,” Rivera said. “Even for schools that aren’t looking to expand or replicate or start up, the opportunity to share best practices, to learn from each other, and for PCSNM to have access to those funds to support the growth and development and prosperity of our charter school landscape in New Mexico is going to be huge.”

Theme 4:

Learning from each other will be a necessary part of the CSP, especially for new nonprofit grantees.



Nonprofit Charter School Program grantees are an exclusive but growing club. Early grantees like Bluum and the Oklahoma Public School Resource Center have accumulated a lot of knowledge and experience to impart to newer members. There are both formal and informal channels that allow this to happen.

On the informal side, both Bluum's Ryan and OPSRC's Doss said they and their staff have been more than happy to share information and lessons learned with other nonprofit CSP grantees.

"I have talked on multiple occasions with people all over the country," Ryan said. "I remember talking to Matt Pahl (in New Mexico) and brainstorming strategically with him; sharing lessons from our experience. What we did well and where we struggled and some of the lessons that we learned."

Amy Hukkinen at Bluum has been that organization's main liaison to other CSP grantees. Off the top of her head she mentioned New Jersey, New Mexico, Washington, Nevada, and Connecticut as states she's worked with to varying degrees.

Bluum has provided other grantees all the documents and details about the processes developed for Idaho that are transferable to other states – especially when it comes to reporting information to the feds.

"Bluum's CSP playbook – the Requests for Applications (RFA), the allowable cost guide, legal memos on procurement, budget reimbursement templates, sample risk assessments, our financial policies, or just anything they feel like they need assistance with," Hukkinen said.

Doss said that as the first nonprofit recipient of a CSP grant, his organization didn't have a similar network of support. Fortunately, he said, the National Alliance for Public Charter Schools "really leaned in to help."

In New Jersey, Olivia Tremble said her organization also wanted to be an early resource for other CSP grantees.

"I really wanted to be an open book to other state entities who have questions because it's tricky to be an organization without the institutional capacity and division of labor of a state department of education," she said. "It's a shift for a lot of state charter school associations."

As the number of nonprofit grantees has grown, so has the role of Lumen Impact Group as the convener and manager of various NAPCS-funded "communities of practice." Lisa Diaz said she worked for a state charter school association before founding Lumen, so she had a good idea of what new grantees didn't know that they didn't know.

"That's how we fell into the work of helping them out," starting with the Alabama Coalition for Public Charter Schools in 2019, Diaz said. "State departments are set up to do this work. They have a grants department. They have the software that they've already been using for other grants. They have a huge finance department. That was not the case with these charter support organizations. And so that was the lens we brought to this work."

One thing new federal grantees must learn is where they can and can't push on the limitations imposed by the grant. It can be intimidating to receive a grant worth tens of millions of dollars, and as a result some organizations are initially timid about asserting their rights.

"Our push is always how can we do this differently (than state agencies administering the grants)?" Diaz said. "Where is there flexibility to be more innovative or where is there flexibility to stay within the guardrails but push on the edge of the guardrails? That alone is hard work to figure out within a federal grant."

One example, Diaz offered, is in helping the grant recipient work with subgrantee schools to amend their grant budgets. That's often an intimidating prospect for a new grantee. But circumstances in schools are perpetually changing, and what is envisioned in a budget necessarily changes with those circumstances.

"It might not sound that innovative, but it's innovative for a charter organization to say 'we are going to work with our subgrantees to amend their budgets multiple times during their time as a subgrantee,'" Diaz said.

"That wasn't the norm before, but it's so important to the effective use of these funds."

Diaz said another important component of Lumen's work is helping grantees understand how to have a healthy and productive partnership with their subgrantees. As discussed earlier in this report, it's often a major adjustment for a charter support organization to assume a compliance role as well. Doing so with a deft touch is vitally important, Diaz said.

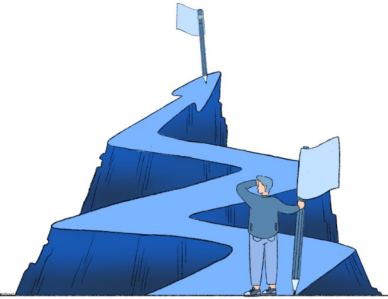
"A good partnership requires mutual accountability," she said. "As a grantee working with a school that has fallen behind in its reporting, do we not have a conversation, and just send you a nasty-gram letter to say you're noncompliant? Or do we make sure that we're having office hours and we're regularly communicating, and we're explaining to them the why behind the what?"

Compass Public Charter School, Idaho



Theme 5:

The particular charter landscape of any given state plays a role on how CSP grants impact the ecosystem.



Charter School Program grants have been awarded to nonprofit charter support organizations in states as deep red as Idaho and Oklahoma and as deep blue as New Mexico and New Jersey. But that doesn't mean that politics play out as one might expect in each state.

Yes, there are some predictable outcomes – it's far easier to get a charter school authorized in Idaho than in New Jersey – but each state has its own unique set of political realities that affect how grant funds are expended, and what impact they have.

IDAHO

The challenge in Idaho is not in getting charter schools authorized. Between the Idaho Public Charter School Commission, which can authorize schools across the state, and individual districts, there are ample avenues for getting schools approved.

But in a state with a sizable libertarian streak, it can be hard to ensure that only schools with the plan, team and resources to be successful are approved and allowed to remain open. The Idaho Public Charter School Commission, which has authorized the lion's share of the state's charter schools since the late 2000s, is understaffed based on national comparisons – it has just five full-time employees – and at times over the years it has seemed overwhelmed by its workload.

Districts, particularly those in rural areas, often lack the capacity and expertise to perform quality authorizing. And the general attitude, as Terry Ryan describes it, is that parents should vote with their feet if a school isn't meeting their need, rather than having the state or a school district close schools they think are failing based on standardized test scores.

Despite this, or possibly because of it, Idaho's CSP funded public charter schools are largely delivering academic results for their students. As part of its CSP grant Bluum engaged Boise State University to study and report on the effectiveness of the charters funded under this program. BSU reported in Idaho's Communities of Excellence Charter School Grant Year 5 Evaluation that:

- When looking at ELA proficiency rates for all subgrantee schools, 28.6% had proficiency rates similar to the statewide average, 23.8% had lower rates, and 47.6% had higher rates of proficiency.

- When looking at math proficiency rates for all subgrantee schools, 38.1% had proficiency rates similar to the statewide average, 23.8% had lower rates, and 38.1% had higher rates of proficiency.

Ryan said the state's philosophy is that charter school authorizing should encourage transparency and where possible deference to market forces, as embodied by families choosing schools that best meet the needs of their children. A new law passed during the 2024 legislative session allows strong charter schools to be renewed for up to 12 years and it provides state help for those schools that are struggling academically and/or operationally.

Ryan contrasted this approach to what he called the "East Coast theory of authorizing," which focuses almost exclusively on holding schools accountable for performance based on state test scores and moving aggressively to close schools that are not performing up to a one-size fits all standard. "That approach doesn't fly in Idaho," Ryan says he has learned over the last decade.

To strengthen Idaho authorizing, Bluum has contracted with the National Charter Schools Institute (NCSI) to provide technical assistance and professional support for the Idaho Public Charter School Commission, as well as for local school districts that authorize public charter schools and want the assistance. Bluum expects to spend up to three percent of its \$25 million CSP grant on this support and assistance for authorizer quality over the next four years.

NEW JERSEY

The New Jersey Department of Education is the state's only charter school authorizer, and the final say on any charter school application rests with the Commissioner of Education. This unusual concentration of authorizing power can create challenges, as has been the case in recent years.

Opening new schools has become extremely difficult – just two have opened in the past five years. However, New Jersey saw significant growth through expansion and replication applications.

It's one of just a handful of blue states that saw enrollment growth over the last four years, despite strong political headwinds. The association hopes to end its five year grant cycle by awarding at least 32 subgrants. The count currently stands at 24; the original goal was 38.

"How many subgrants we're able to give out really depends on the decisions that the authorizer is making on expansions, and we've seen major progress over the last several years, particularly with more data available on student academic success since the pandemic," NJPCSA's Tremble said.

OKLAHOMA

Like Idaho, Oklahoma is a deep red state where the political environment favors school choice, including charter schools. The challenge, however, is that the state funds public education at such a low level that people and organizations looking to open charter schools often lack the resources to make that possible.

The state ranks 48th nationally in per-pupil spending – \$10,506. (Idaho ranks dead last).

Federal CSP grants and generous philanthropy from the likes of the Walton Family Foundation and the George Kaiser Family Foundation help somewhat, but the state's reputation as a good place for charter schools suffers because of its paltry funding.

Tulsa Honor Academy founder Elsie Urueta-Pollock is a graduate of the Building Excellent Schools (BES) fellowship, a program that puts aspiring charter school leaders through a rigorous training and planning program. She said BES decided after working to get her academy opened that it would not open any more schools in Oklahoma because of the dismal funding environment.

"Schools that have high academic support and rigor, it's hard to manage a school with all those supports on the public money this state provides," she said.

Another challenge for charters in Oklahoma is that most school districts are small and rural, and so often view charter schools as threatening competition. As a result, most of the state's 64 charters are located in Tulsa and Oklahoma City.

Until 2024, there was no statewide charter authorizer, but that has changed and should improve the authorizing environment statewide, though a lack of students in rural areas will still pose challenges for new charters hoping to open in more outlying areas.

NEW MEXICO

New Mexico ranked dead last recently in public school performance as measured by standardized tests. One challenge facing education reform advocates – including charter school operators and supporters – in the state is a seeming complacency among members of the power structure about this dismal state of affairs.

Critics have at times referred to this attitude as the "pobrecito syndrome," a belief that, given these children's backgrounds, what more could you expect?

A new wave of young education advocates waded into this morass over the past several years and made their presence known by forming organizations like Public Charter Schools of New Mexico, NewMexicoKidsCAN, Excellent Schools New Mexico, and others.



These groups are training parents, aspiring educators, and community leaders to advocate effectively for better schools, as well as lobbying at the state Capitol for more effective education policies.

They were also elected to local school boards; three new, reform-minded members won election to the Albuquerque school board in 2021 and have worked hard to breathe life into the moribund institution.

New Mexico is not a wealthy state. It lacks the deep-pockets philanthropy that aided the charter school sector in places like Idaho and Oklahoma. The Colorado-based Daniels Fund pumped hundreds of thousands of dollars into support for New Mexico's crop of young reformers, and the new CSP grant will provide an enormous boost. But no one among the emerging leaders believes it will be an easy struggle.

Scott Hindman, co-founder and executive director of Excellent Schools New Mexico said that while there are shining examples of effective charter schools in New Mexico, there's much work to be done to improve the sector overall in the state.

"A third of the schools here are really driving all of the performance," Hindman said. "We need to grow all 30 of those schools, and that's where the CSP grant can be a huge help."

But for that to happen, Hindman said, organizations like his need to keep attracting talent to the state. And that proved to be a challenge over time. "It's a hard sell to get people to move here for what mostly aren't six-figure jobs," Hindman said.

Tulsa Honor Academy, Oklahoma



In Conclusion

Taking on a multi-million federal grant isn't for everyone, or every organization. While the money is alluring, the reporting and accountability requirements are daunting. Even strong organizations run the risk of being pulled off-mission by the gravitational force of big bucks, even if most of it is disbursed to schools.

Organizations that now have several years of managing CSP grants under their belts have plenty of sage advice for newcomers, earned through the hard knocks of being pioneers. While most of these are sprinkled throughout this report, four bear repeating.

1. "This work really needs to be from the ground up," as Bluum's Terry Ryan said. Be true to your state's charter school sector and its needs. Don't be seduced by shiny, pricey systems that won't serve your organization or your schools. Don't invest in a Hummer when a Prius will serve you well.
2. Don't mortgage the future of your organization to the federal Charter School Program. This means paying your staff, to the extent possible, through other funds such as local philanthropy, membership dues, etc. It's especially important that the executive director's salary comes from the organization's budget. This helps avoid the perception that remote, federal powers are pulling the charter school strings in your state.
3. Hire a top-notch finance person to manage the grant and all related systems. "So much of this is finance and determining what is and isn't allowable under the terms of the grant," Lumen Group's Lisa Diaz said. She cited Bluum as an exemplar in this regard; spending its own dollars to have the staff in place to manage the CSP and other grants.
4. Finally, lean on others who are in your same situation. CSP nonprofit grantees have become a community, and the veterans are more than willing to offer advice and assistance to the newer members.

Bluum's Amy Hukkinen, who arguably has offered more support to other new grantees than anyone else described it this way: "When I talk to other states it feels like therapy, or coaching. Because first of all, they're in shock. They're overwhelmed with all the moving parts, of which there are so many, especially if they have no CSP experience. I also suggest that they reach out to me later on. I tell them 'you're not going to remember everything we're talking about, so don't feel bad in three months if you contact me again. I'll be here for you.'"

Alturas Preparatory Academy, Idaho



“Nonprofits can serve as worthy CSP partners with the U.S. Department of Education and are well positioned to help lead states in the never-ending struggle to improve schools and learning opportunities for our families and children.”

