

Guidance on Significant Expansion In Tennessee Charter Schools

This document advises charter school authorizers and operators of the requirements and procedures related to federal funding for significantly expanding charter schools.

Background

Section 10306 of the Elementary and Secondary Education Act (ESEA) sets requirements to ensure that charter schools opening for the first time or significantly expanding their enrollment will receive the funds or services for which they are eligible under all U.S. Department of Education programs in which funds are allocated to states on a formula basis. The U.S. Department of Education's [Non-Regulatory Guidance](#) provides a summary of the final regulations and addresses general implementation requirements.

Definition and Eligibility

Federal regulations define significant expansion of enrollment as a "substantial increase in the number of students attending a charter school due to a significant event that is unlikely to occur on a regular basis, such as the addition of one or more grades or educational programs in major curriculum areas." Minor increases in enrollment caused by normal turnover are not considered significant expansion.

In Tennessee, a significant expansion in enrollment is defined as an increase in total enrollment, for any academic year, due to a significant event that results in the following:

- 1. The charter school's total enrollment is at least 15% greater than the preceding school year; and**
- 2. The charter school's total enrollment is at least 25 students greater than the preceding school year.**

Any charter school that meets the Tennessee definition of significant expansion must submit written notice to the LEA and, if determined eligible once the significant expansion has occurred, will receive federal funds and services for which they are eligible.

Procedures

- Charter school operators must notify the LEA, in writing, at least 120 days in advance of the date the charter school will open or expand. The notice should include the date of notification, name of the charter school, charter contact information, date of school opening or expanding, previous and anticipated total student enrollment numbers and percentages, and reason(s) for increase in enrollment. A charter school that has not yet opened or expanded must provide the LEA with any available data or information that the LEA reasonably requests to assist it in estimating the charter school's projected enrollment.
- Upon receiving notice, the LEA must provide the charter school with timely and relevant information about any covered program for which the charter school may be eligible.
- Once a charter school has opened or significantly expanded its enrollment, the charter school must provide actual enrollment and eligibility data to the LEA at a time the LEA may reasonably require. An LEA is not required to provide funds to a charter school until the charter school provides the LEA with the required actual enrollment and eligibility data.
- If timely notice is received, LEAs must ensure that each charter school opening for the first time or

significantly expanding its enrollment **on or before November 1** of an academic year receives the full proportionate amount of funds and services for which it is eligible within five months of the date the charter school opens or significantly expands its enrollment.

- If timely notice is received, LEAs must ensure that each charter school opening for the first time or significantly expanding its enrollment **after November 1 but before February 1** of an academic year receives a pro-rated portion of the proportionate amount of funds and services for which it is eligible on or before the date the LEA allocates funds to other public schools for the succeeding year.
- If written notice is received less than 120 days in advance of opening or expanding, the charter school may still be entitled to receive a proportionate amount of funds (dependent on the date of the significant expansion occurrence). In such a case, however, the LEA is relieved of any obligation it may have had to provide funds to the charter school within five months. Instead, the LEA may wait until the succeeding academic year to provide the new or expanded charter school with its share of funds for the preceding academic year.
- Charter schools that expand **on or after February 1** of the school year will not receive additional federal funding until the next fiscal year.

Sample Timeline

- **120 days prior to the significant expansion** – Charter operator notifies the LEA in writing.
For example, if the school's start date is August 1 and the significant expansion is anticipated to begin on the first day of school, the school should send notification no later than April 1 prior to the school year opening.
- **Upon receiving significant expansion notice** – the LEA provides the charter school with timely and relevant information about any covered program for which the charter school may be eligible.
- **On the date of opening or significant expansion** – Charter operator provides actual enrollment data to the LEA.
- **Within five months of significant expansion start date** – the LEA ensures the charter school receives the full proportionate amount of funds and services for which it is eligible.

Applicable Federal Programs

- Title I
- Part B of IDEA
- Titles I and II of the Carl D. Perkins Vocational and Technical Education Act of 1998

As applicable, LEAs may adjust the federal funding directly allocated to charter schools or may increase the services provided. For example, if an LEA provides IDEA Part B funding to its public schools for personnel, then the same level of funding must be provided to its authorized charters and must adjust funding if a charter school significantly expands.

Sample Notice of Significant Expansion

Date of Notice: April 1, 2022

Charter School information:

Name: ABC Charter School

Address: 123 Main Street, City, State 12345

School #: 1234

Contact Information:

Name: John Smith

Phone: (123) 456-7890

Email: name@email.com

Please accept this letter as notification of significant expansion at **(name of school)** to occur on **(school opening date or date of anticipated expansion)**.

Student Enrollment

Grade level(s)	Previous school year total enrollment	Current (or upcoming) school year total enrollment	Percent increase*
6	40	40	
7	40	40	
8	0	40	
Total enrollment:	80	120	50%

**To determine percentage increase, divide the change by the previous school year total multiplied by 100. (In this example, the school will increase by 40 students. $40 / 80 = .5 \times 100 = 50\%$.)*

Reason for significant expansion:

ABC Charter School is adding an additional grade level (8th grade - 2 classes) for the upcoming school year.

Significant Expansion

of Tennessee Charter Schools Flow Chart

