B.3.1 Education Service Providers

A. Explanation for Contracting with ESP

Western School of Science and Technology: A Challenge Foundation Academy ("Western Tech: CFA") aims to contract with an Educational Service Provider ("ESP") in order to benefit from additional services available through ESPs. Such services – including best practices in the areas of academics, business, and governance, will serve the school well as it looks to fulfill its mission. To that end, Western Tech: CFA will be a proud member of the TeamCFA network.

While TeamCFA receives no transfers of state equalization funding from Western Tech: CFA, TeamCFA does provide several services of an ESP, specifically an Educational Management Organization ("EMO") free of charge to schools that choose to become part of TeamCFA's nationwide network of charter schools. TeamCFA has agreed to lend its name, financial start-up, and operating support to Western Tech: CFA.

The following summarize the general operating principles of TeamCFA[1]:

> TeamCFA is a growing national network of public charter schools dedicated to the mission of student achievement, academic excellence, measurable results, and bringing school choice to more students and their families. There are currently eight TeamCFA schools on ten campuses in three states serving more than 4,000 students.
>
> "Together each achieves more" summarizes our belief that the success of each student takes the active participation, communication, and commitment of the teacher, student, and parent working in collaboration. By fostering a continuous partnership between all the stakeholders we build a strong culture of expectation, achievement, and results.
>
> We offer a structured and rigorous academic program that includes a committed partnership between the student, teacher, and parent. Our schools follow a guide to coherent content from grade to grade designed to encourage steady academic progress as students build their knowledge and skills from one year to the next. Students become capable and motivated learners. At TeamCFA we strive to do whatever it takes to ensure that our students learn, progress, and succeed on their path to higher education.

Two currently-open schools in Arizona are currently members of the TeamCFA network, including Ridgeline Academy: A Challenge Foundation Academy, and Pioneer Preparatory School: A Challenge Foundation Academy ("Pioneer Prep: CFA"), an elementary charter school in the same target community as Western Tech: CFA. Peter Boyle, the proposed Founding School Director of Western Tech: CFA, was a teacher a Pioneer Prep: CFA for two years and is a current administrator at Pioneer Prep: CFA. Thus, the initial relationship with TeamCFA grew out of the connection through Pioneer Prep: CFA, and Mr. Boyle's position as a Challenge Foundation Fellow, TeamCFA's pipeline for its next cohort of charter school leaders. In addition, Western Tech: CFA is very much mission-aligned with TeamCFA, and aims to continue the work started at the elementary level by TeamCFA and Pioneer Prep: CFA in the Maryvale

[1] TeamCFA. About TeamCFA. Retrieved from http://teamcfa.org/about_us.

neighborhood. TeamCFA will also provide assistance to further the mission and program of Western Tech: CFA – especially as it relates to improving pupil achievement, details of which can be found below.

The association with TeamCFA will provide significant benefits to the students and families in the target population of Western Tech: CFA. The association with a strong elementary school in the target neighborhood (Pioneer Prep: CFA) will ensure close vertical articulation and alignment between the elementary and high school levels – a best practice for preparation for a rigorous secondary curriculum. Also, Western Tech: CFA will benefit from TeamCFA's experience improving pupil achievement in the target population. Pioneer Prep: CFA, which shares the same target population as Western Tech: CFA, increased from a "D" to a "B" in the Arizona Department of Education A-F Accountability system in just one academic year. Pioneer Prep: CFA was among the top 6% of schools in the state for academic growth and was recently recognized by State Superintendent John Huppenthal for exemplary academic growth.

Figures B.3.1.1 and B.3.1.2 below detail the incredible academic growth for two of TeamCFA's schools that serve a similar high-needs population as the target population of Western Tech: CFA.

Challenge Foundation Academy (Indianapolis, Indiana)			
State Assessment Data	Year	Math	ELA
	2011-2012	78.8%	79.7%
	2010-2011	67.6%	74.5%
	2009-2010	64.9%	65.8%
	2008-2009	51.2%	48.8%
	2007-2008	40.6%	39%

Figure B.3.1.1 Relevant Performance Data: Academic Performance Results for Challenge Foundation Academy

Pioneer Prep: CFA (Phoenix, Arizona)			
State Assessment Data	Year	Math	ELA
	2011-2012	60.0%	74.0%
	2010-2011	37.0%	65.0%

Figure B.3.1.2 Relevant Performance Data: Academic Performance Results for Pioneer Prep: CFA

B. Description of Services Provided

TeamCFA provides a wide variety of services to members of its network at no cost to the member schools. These services are detailed further in the template Affiliate Agreement, but can be summarized below:[2]

Initial Requirements:

- Assistance in writing the charter application.
- Assistance in writing and submitting 501(c)(3) application.
- Assistance in writing start-up grants.
- Provide board training for board members that are selected to the Governing Board.

[2] Adapted from the Hirsch Academy: A Challenge Foundation Academy charter application, approved by the Arizona State Board for Charter Schools January 14, 2013.

- School materials and templates, including but not limited to, a school operations manual that contains a school management policy, salary and bonus structures, and security and crisis management plan. In addition, TeamCFA provides a school handbook, parent teacher contract, and templates for preparing the school's budget.

Marketing and Enrollment Assistance:

- Use of local community themes and landmarks to develop school colors, logo and mascot.
- Create current school stationery system, including letterhead, envelopes, business cards, etc.
- Development of marketing materials for individual schools. Including brochures and school signage.
- Provide other supporting materials as necessary, including postcards, flyers, door hangers, and brochures.
- Creation of school branded promotional materials for use on items like school uniforms, pencils, stickers, car magnets, cups, and t-shirts.
- Creation of a fully-hosted, customizable school website.
- Training on how to use the site and collaborate with others.

Development and Implementation of Academic Curriculum:

- Discount on Core Knowledge materials (15%) and training (10%) as provided through the Core Knowledge Foundation.
- Access to ways to collaborate with other faculty and administrators within the TeamCFA network, provided through discussion boards and shared network contact information.
- Access to integration of state standards and the *Core Knowledge Sequence*, Core Knowledge units, and recommended resources for each grade level and content area.

Implementation of Governance Best Practices:

- Assist in building a local board to include two members from the TeamCFA board or TeamCFA board member representatives.
- Help in creating policies that provide for the effective operation of the school, including the evaluation of administrative leadership, in a manner consistent with the school's mission.

Business Plan Best Practices and Support:

- Assistance with accounting reports and procedures.
- List of possible contacts and fundraising opportunities.
- Assistance in filling out federal, state, and local grants.
- Assistance in development of a plan to identify cost savings and efficiencies.
- Access to other TeamCFA vendors (lawyers, accountants, etc.) that could help school reduce costs through economies of scale.

Three-Year Forgivable Loan:
In addition to the services outlined above, TeamCFA provides each school in the nationwide network with a $300,000 loan to be paid in annual installments of $100,000 over a three year period. The loan may be forgiven over a subsequent and consecutive 3 year period. Terms of the loan will be memorialized in the promissory note between TeamCFA and Western Tech: CFA. As long as the school remains in good standing through June 30th of the given year no repayment will be required during the term of the loan. The loan will be forgiven and converted to a grant and the school will need to exercise "expenditure responsibility" with respect to such a grant within the meaning of the IRS Code of 1986, as amended (the "Code") Section 4945(h). If not in good standing as of June 30th the amount of the loan not yet forgiven will be due within 30 days of termination of the loan agreement with accrued but unpaid interest.

C. Performance Expectations and Evaluation

The above services provided in Section B denote the Western Tech: CFA's expectations of TeamCFA. It is the expectation that said services are provided in a manner adequate to the establishment and maintenance of a high-quality charter school program.

Annually, the Western Tech: CFA Governing Board will review its expectations of TeamCFA by determining if any of the above expectations were not met during the past year.

If any of the above enumerated expectations in which TeamCFA is to support Western Tech: CFA are deemed to be unsatisfactorily met or have not been met, the Governing Board of Hirsch Academy: CFA shall notify TeamCFA in writing within 30 days of this finding. The Governing Board shall request a response from TeamCFA regarding the specific expectation.

Based upon TeamCFA's response, the Western Tech: CFA Governing Board will determine whether or not to pursue a continued affiliation with TeamCFA.

D. ESP's Roles and Responsibilities

TeamCFA has neither a role nor responsibilities in the day-to-day operations of Western Tech: CFA aside from the services provided which are enumerated above and a minority position on the Governing Board of Western Tech: CFA.