

Rising to the Challenge

2022 ANNUAL INVESTOR REPORT



CHARTER
SCHOOL
GROWTH
FUND



We launched Fund IV in 2022 to help the nation's best charter school networks grow their schools, develop and support their leaders, and expand their impact on students.

Launching Fund IV

We're pursuing a bold, five-year strategy that supports high-performing charter school networks to ultimately serve one million students by 2030. Fund IV is comprised of three primary strategies:



Grow Great Schools

In 2022, our portfolio launched nearly **80 new schools**, and enrollment grew to **650,000 students** served in **32 states**.



Catalyze Innovation

We made **20+ investments** to catalyze innovative solutions across areas such as **talent, early literacy, and post-secondary success**.



Build Capacity

97% of our advocacy and communications leaders reported that **CSGF helped to drive change** in their schools and communities.



Year In Review

Through the seasons of 2022, we partnered with and invested in our portfolio organizations and leaders so they could learn from one another, overcome challenges, and have greater impact.





WINTER



Rising to the Challenge of COVID-19

The 2021-2022 school year marked the long-awaited return to in-person learning for many students. School leaders assessed the impacts of learning loss from the COVID-19 pandemic and implemented clear and innovative strategies to ensure students made academic strides. As important, school leaders thoughtfully prioritized the mental health and well-being of their students and staff.



Watch the videos at annualreport.chartergrowthfund.org



WINTER



Investing in New Schools and Promising Ideas

Serving middle school students in Queens, NY since 2017, [Forte Prep Academy](#) is one of the early-stage networks that CSGF recently added to our portfolio. With the support of CSGF, Forte Prep will soon expand to serve high school students. Forte Prep uses college preparatory curriculum to quickly close achievement gaps and accelerate learning so that its students can use their leadership, writing skills, and voices to express their views with confidence and clarity. Forte Prep creates systems and structures that support its goal of rigorous academic achievement for all learners while also maintaining deep reverence for the community and cultures that make the school unique.

Indianapolis-based [Purdue Polytechnic High School \(PPHS\)](#) uses a STEM- and project-based learning model that prioritizes student choice and voice to prepare students for success in technical, STEM-related post-secondary programs and technical careers. CSGF recently made a follow-on investment to help the PPHS network add three more schools across Indiana over the next five years. PPHS students graduate with college credit, industry credentials, and preferred admission status at Purdue University. In 2022, 33% of PPHS graduates matriculated to Purdue, where dedicated advisors help PPHS alumni navigate the university and campus life.

CSGF is helping [Elevate Academy](#), a career and technical school in Caldwell, Idaho, codify its model and grow from a one to four-school network. Elevate offers 6-12 grade students core academic instruction and opportunities to specialize in regionally-aligned career and technical education focused on construction management, welding and manufacturing, and health professions. All Elevate students are considered at-risk youth, an Idaho designation of students who face multiple barriers to academic success. The school uses individual learning plans to equip all students with the mindset and technical skills they need to develop meaningful post-high school plans that enable them to access jobs that pay much more than minimum wage.



SPRING

Elevating Parent & Student Voices

In Spring 2022, nearly 1,000 charter school leaders, students, and families from across the country gathered in Washington, DC to advocate against proposed changes to the federal Charter Schools Program (CSP). These proposed regulations would have created significant challenges for public charter schools to start, grow, and thrive.



Watch the videos at annualreport.chartergrowthfund.org



Transforming Postsecondary Pathways

CSGF is supporting the launch, piloting, and scaling of several innovative, low-cost, career-connected, degree-granting programs that make postsecondary education more accessible, flexible, and impactful.

One such program is [AdvanceEDU](#), an innovative hybrid college that partners with universities, high schools, nonprofits, and employers to design low-to-no-cost, career-connected, degree-bearing pathways for students ages 16 and beyond. Founded in 2020 in partnership with CSGF, DSST Public Schools, KIPP Colorado, STRIVE Prep, and employer group Colorado Thrives, AdvanceEDU enables students to earn low-to-no debt degrees from accredited, nonprofit university partners, including Southern New Hampshire University, Colorado State University Global, and Western Governors University. Students can also work in a paid, degree-aligned roles with one of Colorado's top companies while they are pursuing their degree.

Another innovative postsecondary program that CSGF supported in 2022 is [Next Level NOLA \(NLN\)](#), a free, one-year fellowship for New Orleans Public School graduates that counters the obstacles students traditionally face in their postsecondary pursuits. Launched in 2020 as an extension of [Collegiate Academies](#) charter network, NLN creates a "13th year" of school to help students, known as fellows, develop and pursue five-year plans that position them for long-term career success. Fellows can earn college credit and industry credentials while accessing career-connected learning experiences such as training, exposure to guest speakers, networking, mentorship, internships, individualized success coaching, tutoring, ACT prep, and writing support. By 2025, NLN seeks to become a citywide college and career bridge program that can serve ~200 students per year.



Maximizing Students' Career Potential

CSGF is expanding our support of innovative programs that help young people from underrepresented backgrounds translate their educational experiences into strong first jobs. One such program is [Braven](#), a national nonprofit that partners with higher education and college success organizations to facilitate cohort-based courses and experiences through which students develop important soft skills.

Braven has achieved impressive results through its 15-week virtual and semester-long university-based models. In 2022, 603 Braven fellows graduated from college. This new class is outpacing their peers nationally in strong economic opportunity attainment by 14 percentage points (61% vs 47%) within six months of graduation. Braven's partnership with Spelman College resulted in 71% of supported students securing meaningful summer internships.

CSGF is helping Braven grow from serving ~1,600 students to ~6,000 students per year over the next three years. Braven plans to serve 375 additional college students who graduated from CSGF portfolio schools (regardless of their college) through Braven Online, and launch a second university-based partnership with an additional historically black college or university (HBCU) that serves a high number of graduates of CSGF-supported schools.

Another CSGF-supported program is [1Up Career Coaching](#), which provides 30 hours of high-dosage, just-in-time career coaching for alumni that are entering the workforce or are underemployed and seeking better opportunities. The coaching model includes exploration of best fit jobs and industries, resume preparation support, mock interviews, and networking practice.

CSGF also supports [BASTA](#), a career accelerator with a mission to create a bridge of opportunity between employers and first-generation college students. When Basta launched, they achieved strong results, with 80% of fellows landing a career-aligned job within 6 months of graduating with an average starting salary of \$49K. Now in their 6th year, the starting salary for their fellows is close to \$58K. Basta aims to expand their impact to 25k+ students by 2023 through two innovative models: "Powered by Basta," a program where Basta builds the capacity of other direct service providers to offer career readiness support to students, and "Discovery," an a-la carte, flexible program where job seekers start the journey with Seekr, Basta's proprietary navigation tool, and then gain access to Basta's Discovery Hub, where they have access to best-in-class career readiness content alongside first-generation students from across the country.



SUMMER



Engaging Families and Communities in New Ways

The COVID-19 pandemic disrupted learning and other ways of life in unimaginable ways. However, CSGF school leaders have found innovative ways to engage family and community members at their schools, providing job opportunities for families who lost their jobs during the pandemic, and new ways for students to learn from those in their communities.



Watch the videos at annualreport.chartergrowthfund.org



SUMMER

Fueling Facility Financing

As charter school networks seek to expand their impact and serve more students, access to affordable facilities is a common barrier. CSGF's structured finance team and facility funds focus on helping charter leaders navigate and overcome facilities and financial challenges as they grow.

CSGF manages a senior debt fund, a mezzanine debt fund, and a dedicated fund for New York City to provide high-performing charter school networks with low-cost, flexible capital and technical assistance. We also help CSGF portfolio school leaders develop facility financing strategies, close financing gaps, and negotiate favorable financing terms with trusted partners and lenders.

Success Story

CSGF launched a regional facility fund in 2014 to help three charter school networks—KIPP New Jersey, Uncommon Schools, and Mastery Charter Schools—expand their impact in Camden, New Jersey. Since very few lenders had previous experience working with Camden charter schools, these networks did not have access to affordable and timely loans to finance facility renovation or construction projects. CSGF's national philanthropy helped galvanize local philanthropy and attracted new lenders to Camden so these three networks could bridge to long-term financing and ultimately access affordable, permanent facilities.

Over the past nine years, CSGF leveraged \$23M to support \$225M in project costs for 14 schools that serve over 6,500 students in Camden. This amounts to 9x leverage and is a strong example of how others can use public policy and philanthropy to maximize the impact of state, district, and private funding.



"Before the renovation of our campus, we could only utilize half of the facility. Our students and staff faced a variety of challenges with utilities including poor temperature control and ongoing electrical issues. Now, our students have a safe and comfortable place to learn."

BARBARA MARTINEZ, UNCOMMON SCHOOLS CAMDEN



Back to School with Joy and Optimism

Last fall, 42 different CSGF-supported networks opened new schools, with growth coming from both new and established charter networks across the country. The current CSGF portfolio now serves more than 655,000 students across 32 states and Puerto Rico—more than the number of students who attend district schools within Los Angeles Unified, our nation’s second largest school district.

A common refrain heard from school leaders with the return to in-school instruction this fall was “we are excited to leverage our strengths to give our full support to students.” School leaders are using a multi-pronged approach to accelerate student learning, including shifts in academic support by allocating more time for math, adding targeted intervention blocks, and expanding tutoring and small-group instruction. They are using data from formative assessments to inform intensified coaching supports and “just in time” remediation to ensure that the bulk of students’ time is spent on critical grade-level instruction. As importantly, school leaders are also putting a heavy emphasis on connectedness and student engagement by prioritizing relationship-building and creating additional opportunities for students to build community through clubs and activities.

Tresha Ward, CEO of Prospect Schools in Brooklyn, shared, “what has been top of mind for us coming out of the pandemic is tailoring our work to an intensely diverse student body and making sure every single student is thriving. It’s not a one-size-fits-all approach. We’re using data constantly and trying to figure out what individual students need and then tailor support, which can look like many things, including leveraging technology, office hours, tutoring, and small-group instruction.”



Convening Communities of Leaders

We brought the CSGF community together in more ways than ever before in 2022. Over the course of the year, CSGF hosted 58 events, including 22 in-person convenings, for leaders to connect, learn from one another, and tackle shared challenges. These events intentionally brought together leaders from early-stage and established charter networks to promote collaboration across all sizes of organizations.

Over the course of the year, CSGF led targeted convenings on strategic topics including: operations and enrollment; policy, communications, and advocacy; academics; character; alumni success; diversity, equity, and inclusion (DEI); and talent/leadership. Most convenings are events within a larger community of practice with on-going working groups throughout the year. One hundred percent of participants reported that they “learned something new and actionable” as a result of these events.

Our signature and largest gathering, the 2022 CEO Retreat, took place in CSGF’s home state of Colorado. The event brought together more than 175 portfolio CEOs and 50 CSGF investors and external partners. Attendees were welcomed by Colorado Governor Jared Polis, a former charter school founder, and our CEOs participated in a deep-dive workshop on leadership with Jim Collins, a well-known business strategist and author of *Good to Great*. The event gave leaders the opportunity to connect on strategic issues such as leadership sustainability and early literacy and recharge through wellness activities. The ultimate goal of the retreat was to leave portfolio CEOs with a renewed sense of purpose, a connection to the greater CSGF community, and new tools to strengthen their organizations.



Catalyzing Innovation Across the Portfolio

For years, leaders across the CSGF portfolio have developed innovative strategies to solve problems and create new opportunities for their students. CSGF aims to do more to nurture this entrepreneurial energy through our new innovation strategy, with three areas of investment focus: portfolio research & development, new ventures, and pilots.

Through our new ventures strategy, we are providing enabling capital to non-profit and for-profit entrepreneurs building solutions and services that hold great promise for the CSGF portfolio. One such investment is [Hello World](#), a computer science enrichment curriculum founded by former Uncommon Schools teacher Sabina Bharwani. Hello World offers project-based learning experiences and opportunities for students to learn directly from industry leaders so they can master concepts in emerging technology fields and test solutions to real world challenges while gaining key skills like learning from failure and perseverance.

We have started to provide early R&D capital to support portfolio leaders in dreaming big and pursuing ideas that may not fit into traditional organizational budgets. In 2022, we piloted [Project Spark](#), a new funding opportunity where portfolio leaders applied for grants to support their ideas across three buckets of work: Big Leaps in student academic outcomes or experiences, Broadening the Core for how schools impact students, and New Approaches that make running schools more sustainable. We were thrilled to receive over seventy Spark proposals, and engaged thirty portfolio leaders to provide input on ideas that most resonate. **Ultimately, ten portfolio networks were selected to receive \$250,000 grants to bring their visions to life.** Recipients represented a cross section of the portfolio with projects that included new ways to train and retain teachers, reimagining high school and broadening the impact of promising school models, and serving diverse learners.

Our Results in 2022

Portfolio Growth & Reach

Students Served

The charter school networks that CSGF supported as of the end of 2022 serve more than **655,000 students** across **1,400+ schools** in 2022-23. Together, they serve more students than the nation's second largest district.

Growth

CSGF portfolio networks opened **76 new schools** and served **~70,000 more students** in 2022-23 than 2021-22; growth that is on par with previous years. Charter networks supported by CSGF opened **~35%** of all new charter schools that opened in Fall 2022.

New Capacity

In 2022, CSGF made commitments that will enable high-performing charter networks to ultimately serve nearly **53,000 additional students** every year going forward.

Academic Performance & Outcomes

Relative Proficiency

The average CSGF-supported school's performance ranks in the **76th percentile** for ELA and the **72nd for math** when compared to statistical predictions for schools that serve students of similar socioeconomic backgrounds.

Post-Secondary Program Matriculation

~80% of the 16,000+ graduates of CSGF portfolio high schools matriculated to college, a credential program, or the military.

Financial Sustainability

Financial Health

79% of the CSGF portfolio networks that provided financial data for 2021-22 had at least 60 days of cash on hand; their average level of financial security was ~120 days of cash.

Affordable Facilities

80% of fully built-out schools operated in facilities that have been secured for 10+ years and cost <12% of recurring public revenue.

Portfolio Diversity & Satisfaction

Leadership Diversity

67% of the organizations in which CSGF made a new investment in 2022 are led by a person of color and **53%** of are led by women.

Geographic Diversity

The networks that CSGF actively supports operate schools in **32 states**.

Roughly **60% of schools** are outside of the 20 districts in which charter schools serve the highest numbers and rates of students.

Strategic Support

88% of network leaders agreed that CSGF helped them solve a significant problem in 2022. The types of support that leaders cited as most valuable were CSGF's facilitation of connections to peers facing similar challenges, direct advice, and the creation of opportunities to learn alongside peers.

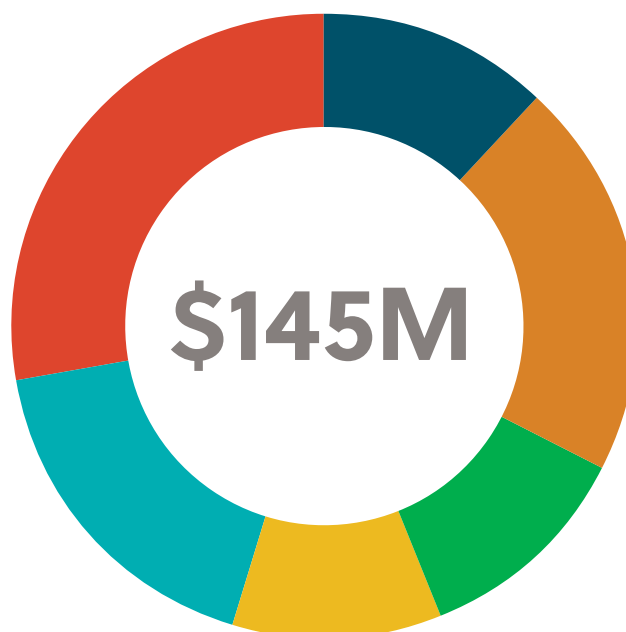
2022 Investment Summary

CSGF committed \$145M in 300+ grants and low-interest facility loans in 2022, more than double our funding in 2021.

28%
Supercharge
(Supplementary Funding)

17%
Facility Loans

11%
Capacity-Building Grants



12%
Early-Stage Charter Growth

21%
Scale Charter Growth

11%
Impact & Innovation

Gratitude From CEO, Kevin Hall, and President, Darryl Cobb

We are energized by what our portfolio schools and their leaders have accomplished after the first year of Fund IV and eager for all that is to come. We hope that you also feel inspired, as our partners and investors, to see the significant impact your support has on the schools in our portfolio and the students we are honored to serve.



Darryl Cobb & Kevin Hall

Across the portfolio last year, we saw common themes of **resiliency** and **focus**. From facing challenges like attracting and retaining talented educators through a teacher shortage, to embracing science-based early literacy strategies to catch students up, leaders in the CSGF portfolio showed remarkable resilience. They maintained a sharp focus on the “secret sauce” within their school walls, thinking holistically about what students need to thrive. And they were relentless in their quest to successfully launch students into adulthood, creating career pathways, mental health supports, and individualized attention that is needed now more than ever by this generation of students and young adults.

Also last year, CSGF’s portfolio grew to 175 organizations serving over 650,000 students, as big as the Los Angeles Unified School district. To help put that growth into perspective, in 2009, our portfolio included fewer than 20 charter networks serving 50,000 students. With your support, we have effectively seen **10x growth** while maintaining a commitment to quality and dramatically increasing the diversity of school models, leaders, and geographies within the CSGF portfolio.

Then and now, our belief in the power of entrepreneurship, spirit of innovation, and relentless focus on results within the charter sector has remained strong. You play an important part in supporting those beliefs. We are grateful for your partnership in 2022, and look forward to rising to new challenges together in the years ahead.

With Our Thanks,

Kevin Hall, CEO

Darryl Cobb, President

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CSGF's work would not be possible without the insight of our board of directors, the generosity of our philanthropic supporters, and the commitment of our portfolio of charter school networks.

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To read more about our work and the charter school networks that we support, please visit chartergrowthfund.org.

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