

National **Charter School** **Resource** Center

Welcome to the Webinar!

SEA Communities of Practice: Learning More about the 2011 Updated Nonregulatory Guidance

We will be starting soon.



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The National Charter School Resource Center is funded by the U.S. Department of Education's Office of Innovation and Improvement and administered by Learning Point Associates, an affiliate of American Institutes for Research, under contract number ED-04-CO-0109/0004.

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SEA Communities of Practice: Learning More about the 2011 Updated Nonregulatory Guidance

May 25, 2011



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About the Resource Center

The **U.S. Department of Education** is committed to promoting effective practices, providing technical assistance, and disseminating the resources critical to ensuring the success of charter schools across the country. To that end, the Education Department, under a contract with Learning Point Associates, an affiliate of American Institutes for Research, has developed the **National Charter School Resource Center**.

Presenters

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Acting Director, Charter Schools Program,
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Charter Schools Program 2011 Nonregulatory Guidance

May 24, 2011



*United States Department of Education
Office of Innovation and Improvement*

Nonregulatory guidance overview

- Addresses questions regarding various provisions of the CSP authorizing statute (Title V, Part B)
- Does not contain everything needed to comply with CSP requirements and other Federal requirements (including civil rights obligations), but provides guidance on the CSP and examples of ways to implement it
- Previous versions and updates: 2003, 2004, and 2007



Significant changes

- Allowable expenses (Section D)
- Lottery exemptions (E-4)
- Relationships between charter boards and for-profit charter management organizations (B-13)
- Factors to consider when determining if a school is a new school or an expansion of an existing school (Section C)
- The relationship between public charter schools and private schools (B-8 through B-11)



Allowable expenses (section D)

- Planning and initial implementation costs (statutory definition for both)
- Additional clarification
 - Creating and implementing office functions, such as accounting systems, attendance and registration systems, and human resources policies
 - Installing computers, data systems, networks, and telephones
 - Personnel expenses incurred either before or after the school's opening associated with initial implementation activities (i.e. not ongoing)
 - Only portion of the time associated with initial implementation of the charter school is allowable
 - Maintain time and effort records
 - Rent/occupancy costs for a reasonable period of time in preparation for the school's opening.
 - No construction expenses, even for ADA compliance



Allowable expenses (section D) (continued)

- ESEA 5204(f)(3)(B)(iv):
 - allowable expenses include “other initial operational costs that cannot be met from State or local sources”
- New guidance at D-3:
 - “If the charter school can show that the State or local funds it has received are necessary to meet expenses other than the one at issue, then the charter school has met its burden of showing that the “other initial operational costs” cannot be met from State or local sources and, therefore, is allowable under the CSP grant.



Lottery exemptions (E-4)

OLD

- a) Students enrolled in a public school when it's converted into a charter school;
- b) Siblings of students already admitted to or attending the same charter school;
- c) Children of a charter school's founders (small percentage clause); and
- d) Children of employees in a work-site charter school (small percentage clause)

NEW

- All of the above, plus:
 - Students who are eligible to attend, and are living in the attendance area of, a public school at the time it is converted into a public charter school;
 - Add teachers and staff to (c)



Charter boards and for-profit EMOs (B-13)

- For-profits are not eligible for CSP grants. For-profits may hold management contracts with a non-profit organization who oversees the school and receives a CSP grant.
- Grantees must “directly administer or supervise the administration of [the grant]”. This means the non-profit board must be independent of the EMO.
- Factors in determining separation between school/board and EMO
 - a) Charter school board free of EMO reps and EMO selection influence
 - b) Attorney, accountant, and audit firm that are independent of EMO;
 - c) Arm’s length contract and other agreements which clearly describes each party’s rights and responsibilities, and specifies reasonable and feasible terms under which either party may terminate the contract;
 - d) Reasonable EMO fees



Determining if a school is new or an expansion (Section C)

Factors to consider

- a) The terms of the charter;
- b) Schools established and recognized as separate schools under the State's charter school law;
- c) Separate performance agreements with authorizer(s);
- d) Whether each school separately reports its academic performance for ESEA reporting purposes;
- e) Separate facilities;
- f) Separate staffs; and
- g) Whether the charter schools' day-to-day operations are carried out by different administrators.

“The existence or non-existence of any one of these factors, by itself, does not determine whether a particular charter school is a separate school or part of a larger school. The existence or non-existence of several factors, however, may inform an **SEA's determination** of whether multiple charter schools created under a single charter are distinct entities or, for all practical purposes, are operating as a single charter school.”



Determining if a school is new or an expansion (Section C) (Continued)

- Any new school must conduct a separate admissions process and lottery.
- If an SEA wishes to fund multiple schools that have an admissions pipeline (e.g. a new middle school that receives students from an affiliated “feeder” elementary school) it must request a waiver from the provision in ESEA 5202(d)(1) that limits a charter school to receiving just one subgrant.

Also....

- “The Department has no objection to one governing board overseeing multiple charter schools, provided that the board exercises appropriate oversight and monitoring of each school.



Relationships between public charter schools and private schools (B-8 through B-11)

- Operating both charter and private
 - Not prohibited by statute, but charter must be operated separately from the private school
- Shared facility
 - Not prohibited by statute, but charter must be truly separate from the private school
 - CSP funds can only be used for the *charter school (i.e. cannot cover personnel, equipment, supplies, or other resources shared with private school)*



Guidance at ED.gov

<http://www2.ed.gov/programs/charter/nonregulatory-guidance.html>

Questions?



Raise your hand or enter your question in the chat box
on the left side of your screen.

Thank you for participating.

- We look forward to your participation in future webinars hosted by the National Charter School Resource Center.
- This webinar will be archived at the following website:
<http://www.charterschoolcenter.org/webinars/>
- Continue the conversation in the SEA virtual community of practice:
<http://www.charterschoolcenter.org/user>
- Please share your feedback with us through the evaluation.

National **Charter School** **Resource** Center

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