



Karen B. Salmon, Ph.D.
State Superintendent of Schools

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TO: Members of the State Board of Education

FROM: Karen B. Salmon, Ph.D.

DATE: January 29, 2018

SUBJECT: U.S. Department of Education Charter Schools Program Grant

PURPOSE:

The purpose of this item is to provide an update on the recent award of the Charter Schools Program grant to the Maryland State Department of Education (MSDE) from the U.S. Department of Education (USED).

BACKGROUND:

The Charter Schools Program of USED manages several competitive grant programs. This award is part of the State Entities program. Eligible applicants were State Education Agencies, statewide nonprofits supporting charter schools, and Governor's offices. For this competitive award process 21 state agencies or other entities applied. Nine awards were made. The MSDE received previous grants in this program in 2004 and 2007.

The initial award of the USED Charter Schools Program Grant is \$5,490,859 for a two year period, October 1, 2017 through September 30, 2019. The total award is \$17,222,222 over five years through September 30, 2022. Grants for years three through five will be dependent on federal appropriations.

EXECUTIVE SUMMARY:

In the weeks since receiving notice of the award, staff has worked with USED to provide clarifying information and meet start-up requirements. Over the next several months, the MSDE will initiate the first subgrant competition and engage providers to implement the plan for technical assistance activities.

Ninety percent of the funding will be awarded in subgrants to nonprofit organizations operating or seeking to operate public charter schools in Maryland. The grants will be available for the start-up costs of new, expanding, or replicating charter schools that have been approved by the local boards of education. Subgrants will be awarded on a competitive basis. The MSDE projects three rounds of grant awards and approximately 20 awards.

The draft Application for the grant program is under review. The MSDE anticipates the first round of the grant application process to occur in mid-2018. The next step is for USED to review and approve the grant application to ensure that it adheres to federal requirements.

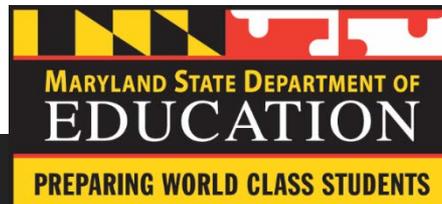
Technical Assistance activities will be developed to support the expansion, replication or creation of high quality public charter schools. Current and new charter operators will be offered assistance to determine readiness for replication or to launch a school, strategic leadership, and addressing the needs of all students. Local School Systems will also benefit from technical assistance and professional development opportunities to help ensure that application and renewal processes are rigorous.

ACTION:

For information purposes only.

KBS/cb

**Maryland Public Charter
Schools
U.S. Department of Education
Grant**



STATE BOARD MEETING
January 29, 2018



Grant Award

Initial Award	\$5,490,859
Initial Grant Period (2 years)	10/1/17 through 9/30/19
Total Award	\$17,222,222
Years 1 and 2	\$5,490,859
Year 3	\$5,160,613
Year 4	\$4,273,289
Year 5	\$2,297,461
*Funding in Years 3 through 5 is contingent on Federal Appropriations.	

Grant Objectives

The award of the USED Charter Schools Program grant will enable Maryland to:

- Support the startup, expansion, and replication of public charter schools, and
- Promote quality through technical assistance activities for charter school applicants and local school systems.

Projected Growth of Maryland Charter Schools

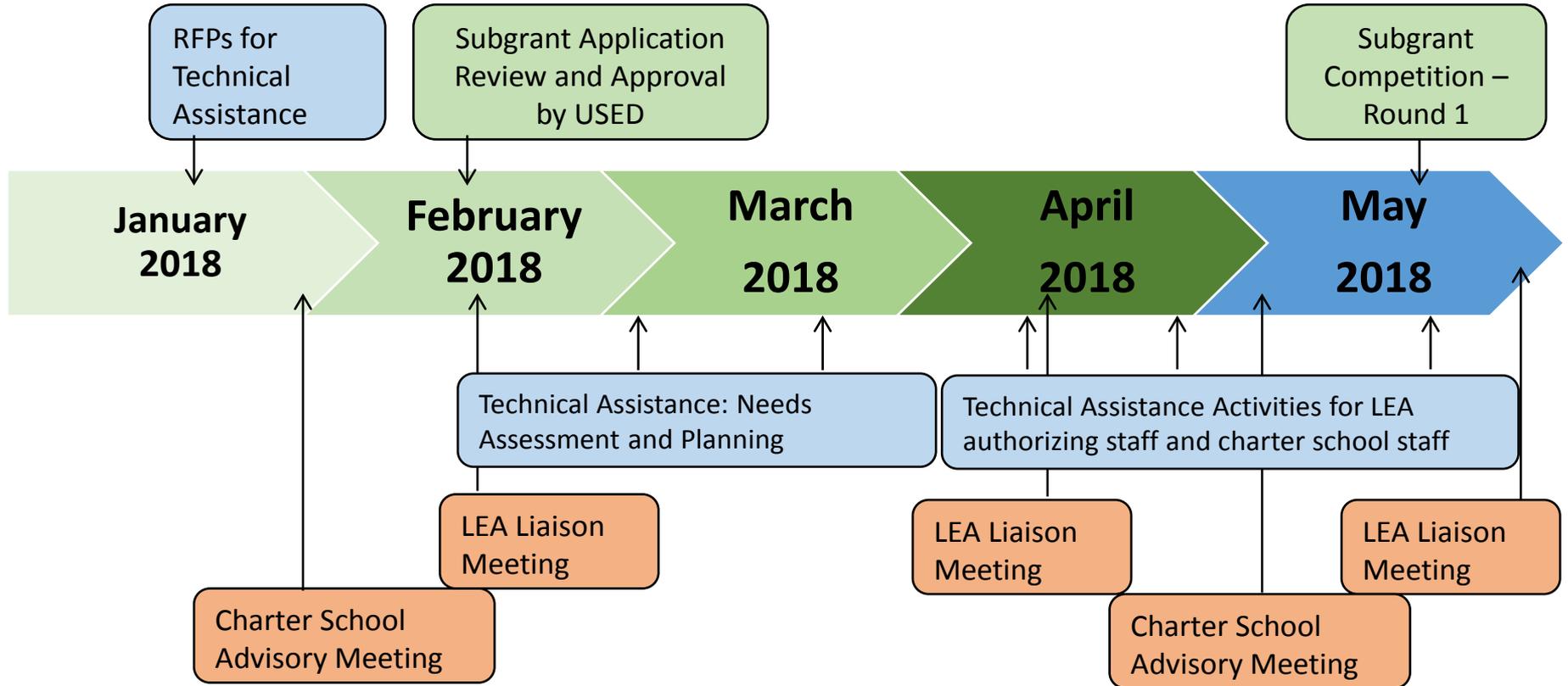
Current Number of
Charter Schools →

Number of Charter Schools in Maryland 2017-2018	50
Number of Students Enrolled	22,551

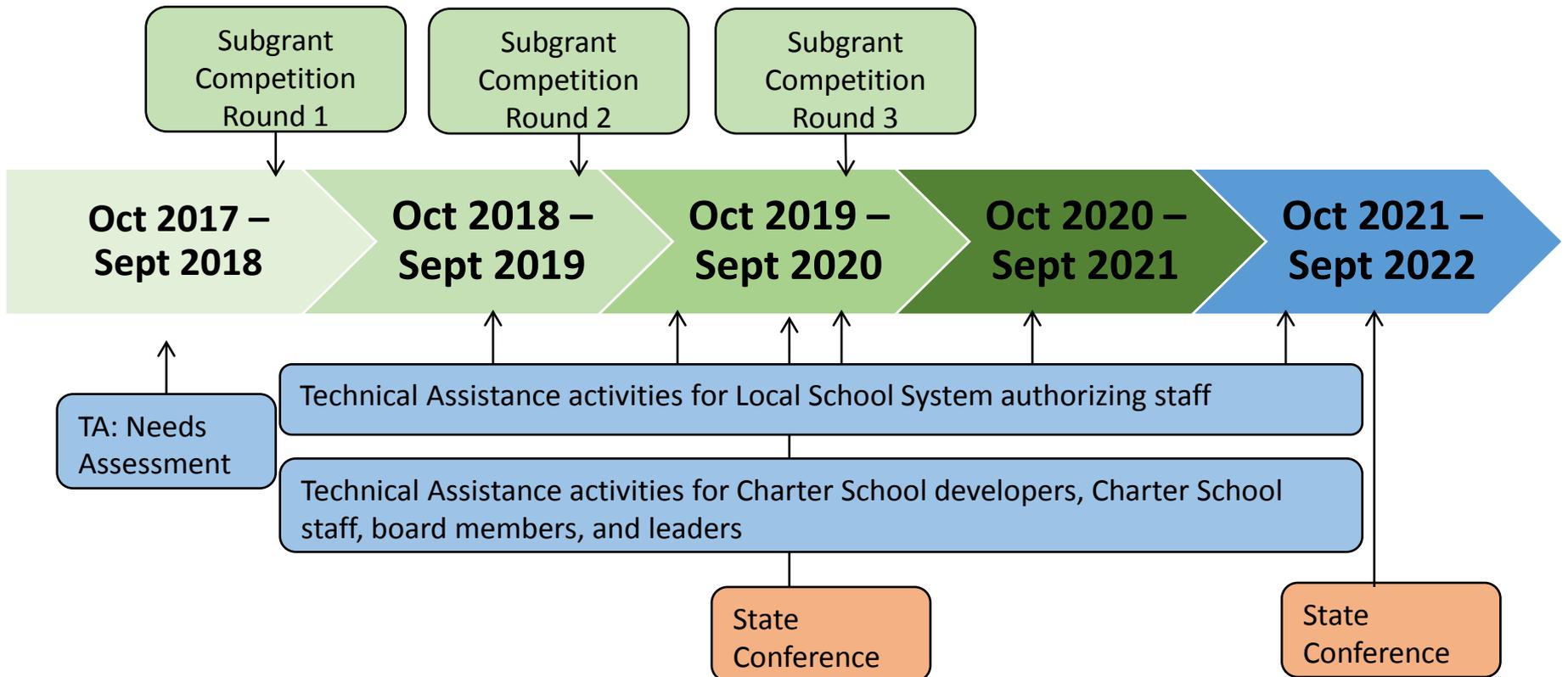
Project Growth in
Number of Charter
Schools →

Year	Number of Charter Schools
2017-2018	50
2018-2019	51
2019-2020	57
2020-2021	65
2021-2022	65

Projected Timeline - Immediate



Projected Timeline – Long Term



Subgrant Process

Subgrants

- 90 percent of funding is for subgrant awards
- Competitive grant for start-up costs of new, expanding and replicating public charter schools, approved by local boards of education
- Estimated grants: 21 projects. Average award \$740,000
- Maximum grant: \$900,000 for up to 3 years

Application and Review

- USED must review and approve the subgrant application
- Peer reviewers will rank applications
- Interviews optional
- Three rounds of grant awards over five year grant period

Subgrant Application - Eligibility

Eligibility

- Existing Charter Schools in first two years of operation at time of application
- Existing Charter Schools seeking expansion to increase number of seats by at least 30 percent
- Developing Charter School with approval of the Local Board of Education
- Developing Charter School with full charter application submitted to the Local Board of Education
- Developing Charter School on appeal of a denied charter application

Sugrant Application - Priorities

Competitive Priorities

- Confirmed location has median income below that of the County/City
- Creation of innovative high school options (e.g. early college, career preparation)
- Evidence-based school-wide strategies with a focus on outcomes for educationally disadvantaged students

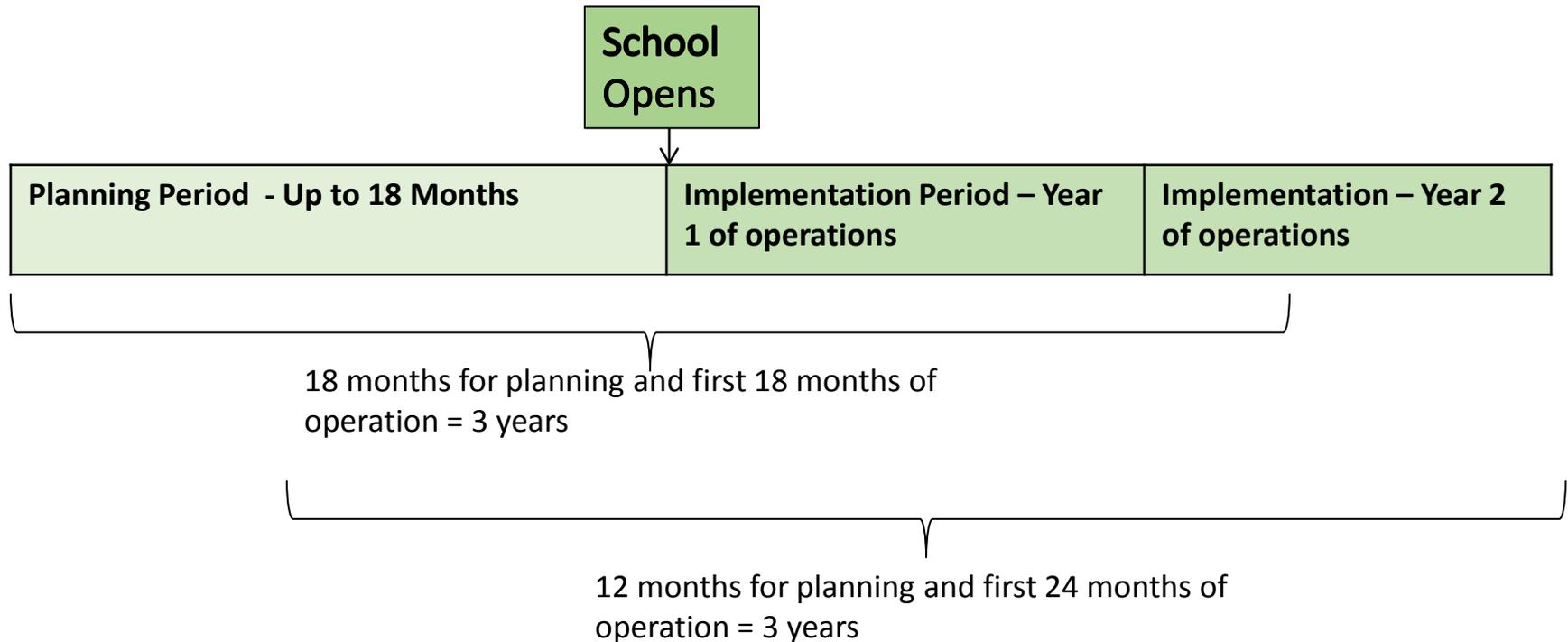
Allowable Costs

Subgrant
Activities:
Open and
Prepare for the
Operation of a
Charter School

- Preparing teachers, leaders, and staff
 - Professional Development
 - Hiring and compensating during the planning period
- Acquiring supplies, training, equipment, technology
- Minor facilities repairs (not construction)
- One time start up costs associated with transportation

Subgrants - Timeline

- Subgrants will have a term of up to 3 years
- A maximum of 18 months may be used for planning period



Subgrant Monitoring

Key elements

- Ensure that measurable goals are established in the grant proposal
- Post award technical assistance for financial management
- Combine written reporting requirements and site visits
- Coordinate with local school system monitoring and renewal processes

Monitoring Activity	Timing/Frequency
Review Financial Controls	Once – post award
Invoicing	Monthly
Reports on progress toward goals	Quarterly
Site Visit	At least Annually
Annual Financial Report	Annual