



4000-01-U

DEPARTMENT OF EDUCATION

Applications for New Awards; Expanding Opportunity Through Quality Charter Schools Program (CSP)--Grants to State Entities

AGENCY: Office of Innovation and Improvement, Department of Education.

ACTION: Notice.

SUMMARY: The Department of Education is issuing a notice inviting applications for fiscal year (FY) 2018 for CSP--Grants to State Entities, Catalog of Federal Domestic Assistance (CFDA) number 84.282A.

DATES:

Applications Available: [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

Date of Pre-Application Webinar: Wednesday, March 14, 2018, 2:00 p.m., Eastern Time.

Deadline for Transmittal of Applications: [INSERT DATE 42 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

Deadline for Intergovernmental Review: [INSERT DATE 105 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: For the addresses for obtaining and submitting an application, please refer to our Common Instructions for Applicants to Department of Education Discretionary Grant

Programs, published in the *Federal Register* on February 12, 2018 (83 FR 6003) and available at

www.gpo.gov/fdsys/pkg/FR-2018-02-12/pdf/2018-02558.pdf.

FOR FURTHER INFORMATION CONTACT: Amy B. Huber, U.S.

Department of Education, 400 Maryland Avenue, SW., room 4W222, Washington, DC 20202-5970. Telephone: (202) 453-6634 or by email: amy.huber@ed.gov.

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call the Federal Relay Service (FRS), toll free, at 1-800-877-8339.

SUPPLEMENTARY INFORMATION

Full Text of Announcement

I. Funding Opportunity Description

Purpose of Program: The major purposes of the CSP are to expand opportunities for all students, particularly traditionally underserved students, to attend public charter schools and meet challenging State academic standards; provide financial assistance for the planning, program design, and initial implementation of charter schools; increase the number of high-quality charter schools available to students across the United States; evaluate the impact of charter schools on student achievement, families, and communities; share best practices between charter schools and other public schools;

encourage States to provide facilities support to charter schools; and support efforts to strengthen the charter school authorizing process.

Through the CSP Grants to State Entities (CSP State Entities) competition (CFDA number 84.282A, the Department awards grants to State entities that make subgrants to eligible applicants for the purpose of opening new charter schools and replicating and expanding high-quality charter schools. Grant funds may also be used to provide technical assistance to eligible applicants and authorized public chartering agencies in opening new charter schools and replicating and expanding high-quality charter schools, and to work with authorized public chartering agencies to improve authorizing quality, including developing capacity for, and conducting, fiscal oversight and auditing of charter schools.

Background: The CSP State Entities program provides financial assistance to State entities to support charter schools that serve elementary and secondary school students in a given State. Charter schools receiving funds under the CSP State Entities program also may serve students in early childhood education programs or postsecondary students.

The CSP State Entities program is authorized under the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA) (20 U.S.C. 7221-7221j).¹ This notice contains information regarding eligibility, priorities, definitions, application requirements, and selection criteria under the amended law.

All charter schools receiving CSP funds must meet each element of the definition of charter school in section 4310(2) of the ESEA, including the requirement to comply with Federal civil rights laws, including the Age Discrimination Act of 1975, Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, section 444 of the General Education Provisions Act (GEPA), and part B of the Individuals with Disabilities Education Act (IDEA).

Priorities: This notice includes six competitive preference priorities. In accordance with 34 CFR 75.105(b) (2) (iv), these priorities are from section 4303(g) (2) of the ESEA.

¹ Prior to enactment of the ESSA, the ESEA, as amended by the No Child Left Behind Act of 2001 (NCLB), authorized the Secretary to make awards to State educational agencies to enable them to conduct charter school subgrant programs in their States. Unless otherwise indicated, all references to the ESEA in this notice are to the ESEA, as amended by the ESSA.

Competitive Preference Priorities: For FY 2018 and any subsequent year in which we make awards based on the list of unfunded applications from this competition, these priorities are competitive preference priorities. Under 34 CFR 75.105(c)(2)(i) we award:

- An additional two points to an application that meets competitive preference priority 1; and
- For competitive preference priorities 2 through 6, up to an additional 23 points, depending on how well an application addresses the competitive preference priorities.

An application may receive a total of up to 25 additional points under the competitive preference priorities.

These priorities are:

Competitive Preference Priority 1--At Least One Authorized Public Chartering Agency Other than a Local Educational Agency, or an Appeals Process (0 or 2 points).

To meet this priority, an applicant must demonstrate that it is located in a State that--

(a) Allows at least one entity that is not a local educational agency (LEA) to be an authorized public chartering agency for developers seeking to open a charter school in the State; or

(b) In the case of a State in which LEAs are the only authorized public chartering agencies, the State has an appeals process for the denial of an application for a charter school.

Competitive Preference Priority 2--Equitable Financing (up to 6 points).

To be eligible to receive points under this priority, an applicant must demonstrate the extent to which the State in which it is located ensures equitable financing, as compared to traditional public schools, for charter schools and students in a prompt manner.

Competitive Preference Priority 3--Charter School Facilities (up to 6 points).

To be eligible to receive points under this priority, an applicant must demonstrate the extent to which the State in which it is located provides charter schools one or more of the following:

- (a) Funding for facilities;
- (b) Assistance with facilities acquisition;
- (c) Access to public facilities;
- (d) The ability to share in bonds or mill levies;
- (e) The right of first refusal to purchase public school buildings; or
- (f) Low- or no-cost leasing privileges.

Competitive Preference Priority 4--Best Practices to Improve Struggling Schools and LEAs (up to 3 points).

To be eligible to receive points under this priority, an applicant must demonstrate the extent to which the State in which it is located uses best practices from charter schools to help improve struggling schools and LEAs.

Competitive Preference Priority 5--Serving At-Risk Students (up to 3 points).

To be eligible to receive points under this priority, an applicant must demonstrate the extent to which it supports charter schools that serve at-risk students through activities such as dropout prevention, dropout recovery, or comprehensive career counseling services.

Competitive Preference Priority 6--Best Practices for Charter School Authorizing (up to 5 points).

To be eligible to receive points under this priority, an applicant must demonstrate the extent to which it has taken steps to ensure that all authorized public chartering agencies implement best practices for charter school authorizing.

Note: We are interpreting "best practices for charter school authorizing" as including, but not limited to, the practices for monitoring of charter schools described in Assurance E below.

Application Requirements:

These application requirements are from section 4303(f) of the ESEA (20 U.S.C. 7221b(f)). The Department will reject an application that does not meet each application requirement.

Under selection criterion (b) Objectives, the Secretary considers the ambitiousness of the State entity's objectives for its quality charter school program. An applicant may choose to respond to some or all of the elements of application requirement (I) Description of Program in the context of its response to selection criterion (b) Objectives, and should note the locations of the responses accordingly.

Applications for funding under the CSP State Entities program must contain the following:

(I) Description of Program--A description of the State entity's objectives in running a quality charter school program and how the objectives of the program will be carried out, including--

(A) A description of how the State entity will--

(1) Support the opening of charter schools through the startup of new charter schools and, if applicable, the replication of high-quality charter schools, and the expansion of high-quality charter schools (including the

proposed number of new charter schools to be opened, high-quality charter schools to be opened as a result of the replication of a high-quality charter school, or high-quality charter schools to be expanded under the State entity's program);

(2) Inform eligible charter schools, developers, and authorized public chartering agencies of the availability of funds under the program;

(3) Work with eligible applicants to ensure that the eligible applicants access all Federal funds that such applicants are eligible to receive, and help the charter schools supported by the applicants and the students attending those charter schools--

(a) Participate in the Federal programs in which the schools and students are eligible to participate;

(b) Receive the commensurate share of Federal funds the schools and students are eligible to receive under such programs; and

(c) Meet the needs of students served under such programs, including students with disabilities² and English learners;

² For purposes of this notice, "students with disabilities" or "student with a disability" has the same meaning as children with disabilities or child with a disability.

(4) Ensure that authorized public chartering agencies, in collaboration with surrounding LEAs where applicable, establish clear plans and procedures to assist students enrolled in a charter school that closes or loses its charter to attend other high-quality schools;

(5) In the case of a State entity that is not a State educational agency (SEA)--

(a) Work with the SEA and charter schools in the State to maximize charter school participation in Federal and State programs for which charter schools are eligible; and

(b) Work with the SEA to operate the State entity's program under section 4303 of the ESEA, if applicable;

(6) Ensure that each eligible applicant that receives a subgrant under the State entity's program--

(a) Is using funds provided under this program for one of the activities described in section 4303(b)(1) of the ESEA; and

(b) Is prepared to continue to operate charter schools funded under section 4303 of the ESEA in a manner consistent with the eligible applicant's application for such subgrant once the subgrant funds under this program are no longer available;

(7) Support--

(a) Charter schools in LEAs with a significant number of schools identified by the State for comprehensive support and improvement under section 1111(c)(4)(D)(i) of the ESEA; and

(b) The use of charter schools to improve struggling schools, or to turn around struggling schools;

(8) Work with charter schools on--

(a) Recruitment and enrollment practices to promote inclusion of all students, including by eliminating any barriers to enrollment for educationally disadvantaged students (who include foster youth and unaccompanied homeless youth); and

(b) Supporting all students once they are enrolled to promote retention, including by reducing the overuse of discipline practices that remove students from the classroom;

(9) Share best and promising practices between charter schools and other public schools;

(10) Ensure that charter schools receiving funds under the State entity's program meet the educational needs of their students, including children with disabilities and English learners;

(11) Support efforts to increase charter school quality initiatives, including meeting the quality

authorizing elements described in section 4303(f)(2)(E) of the ESEA;

(12) (a) In the case of a State entity that is not a charter school support organization, a description of how the State entity will provide oversight of authorizing activity, including how the State will help ensure better authorizing, such as by establishing authorizing standards that may include approving, monitoring, and re-approving or revoking the authority of an authorized public chartering agency based on the performance of the charter schools authorized by such agency in the areas of student achievement, student safety, financial and operational management, and compliance with all applicable statutes and regulations; and

(b) In the case of a State entity that is a charter school support organization, a description of how the State entity will work with the State to support the State's system of technical assistance and oversight, as described in subsection (a), of the authorizing activity of authorized public chartering agencies; and

(13) Work with eligible applicants receiving a subgrant under the State entity's program to support the opening of new charter schools or charter school models

described in application requirement (I) (A) (1) that are high schools;

(B) A description of the extent to which the State entity--

(1) Is able to meet and carry out competitive preference priorities 1 through 6;³

(2) Is working to develop or strengthen a cohesive statewide system to support the opening of new charter schools and, if applicable, the replication of high-quality charter schools, and the expansion of high-quality charter schools; and

(3) Is working to develop or strengthen a cohesive strategy to encourage collaboration between charter schools and LEAs on the sharing of best practices;

(C) A description of how the State entity will award subgrants, on a competitive basis, including--

(1) A description of the application each eligible applicant desiring to receive a subgrant will be required to submit, which application shall include--

³ In accordance with 34 CFR 105(c) (2) (i), applications are not required to address competitive preference priorities but may receive additional points if they do so. However, to meet this application requirement, the State entity must describe the extent to which it is able to meet and carry out competitive preference priorities 1 through 6. If the State entity is unable to meet and carry out one or more of these competitive preference priorities, the description for that priority should state that the State entity is unable to meet or carry out the priority.

(i) A description of the roles and responsibilities of eligible applicants, partner organizations, and charter management organizations, including the administrative and contractual roles and responsibilities of such partners;

(ii) A description of the quality controls agreed to between the eligible applicant and the authorized public chartering agency involved, such as a contract or performance agreement, how a school's performance in the State's accountability system and impact on student achievement (which may include student academic growth) will be one of the most important factors for renewal or revocation of the school's charter, and how the State entity and the authorized public chartering agency involved will reserve the right to revoke or not renew a school's charter based on financial, structural, or operational factors involving the management of the school;

(iii) A description of how the autonomy and flexibility granted to a charter school is consistent with the definition of charter school in section 4310 of the ESEA;

(iv) A description of how the eligible applicant will solicit and consider input from parents and other members of the community on the implementation and operation of

each charter school that will receive funds under the State entity's program;

(v) A description of the eligible applicant's planned activities and expenditures of subgrant funds to support opening and preparing for the operation of new charter schools, opening and preparing for the operation of replicated high-quality charter schools, or expanding high-quality charter schools, and how the eligible applicant will maintain financial sustainability after the end of the subgrant period; and

(vi) A description of how the eligible applicant will support the use of effective parent, family, and community engagement strategies to operate each charter school that will receive funds under the State entity's program; and

(2) A description of how the State entity will review applications from eligible applicants;

(D) In the case of a State entity that partners with an outside organization to carry out the State entity's quality charter school program, in whole or in part, a description of the roles and responsibilities of the partner;

(E) A description of how the State entity will ensure that each charter school receiving funds under the State

entity's program has considered and planned for the transportation needs of the school's students;

(F) A description of how the State in which the State entity is located addresses charter schools in the State's open meetings and open records laws; and

(G) A description of how the State entity will support diverse charter school models, including models that serve rural communities.

(II) Assurances--Assurances that--

(A) Each charter school receiving funds through the State entity's program will have a high degree of autonomy over budget and operations, including autonomy over personnel decisions;

(B) The State entity will support charter schools in meeting the educational needs of their students, including children with disabilities and English learners;

(C) The State entity will ensure that the authorized public chartering agency of any charter school that receives funds under the State entity's program adequately monitors each charter school under the authority of such agency in recruiting, enrolling, retaining, and meeting the needs of all students, including children with disabilities and English learners;

(D) The State entity will provide adequate technical assistance to eligible applicants to meet the objectives described in application requirement (I) (A) (8) in this notice;

(E) The State entity will promote quality authorizing, consistent with State law, such as through providing technical assistance to support each authorized public chartering agency in the State to improve such agency's ability to monitor the charter schools authorized by the agency, including by--

(1) Assessing annual performance data of the schools, including, as appropriate, graduation rates, student academic growth, and rates of student attrition;

(2) Reviewing the schools' independent, annual audits of financial statements prepared in accordance with generally accepted accounting principles and ensuring that any such audits are publically reported; and

(3) Holding charter schools accountable to the academic, financial, and operational quality controls agreed to between the charter school and the authorized public chartering agency involved, such as renewal, non-renewal, or revocation of the school's charter;

(F) The State entity will work to ensure that charter schools are included with the traditional public schools in

decisionmaking about the public school system in the State;
and

(G) The State entity will ensure that each charter school receiving funds under the State entity's program makes publicly available, consistent with the dissemination requirements of the annual State report card under section 1111(h) of the ESEA, including on the website of the school, information to help parents make informed decisions about the education options available to their children, including--

- (1) Information on the educational program;
- (2) Student support services;
- (3) Parent contract requirements (as applicable), including any financial obligations or fees;
- (4) Enrollment criteria (as applicable); and
- (5) Annual performance and enrollment data for each of the subgroups of students, as defined in section 1111(c)(2) of the ESEA, except that such disaggregation of performance and enrollment data shall not be required in a case in which the number of students in a group is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student.

(III) Waivers--Requests for information about waivers, including--

(A) A request and justification for waivers of any Federal statutory or regulatory provisions that the State entity believes are necessary for the successful operation of the charter schools that will receive funds under the State entity's program under section 4303 of the ESEA or, in the case of a State entity that is a charter school support organization, a description of how the State entity will work with the State to request such necessary waivers, where applicable; and

(B) A description of any State or local rules, generally applicable to public schools, that will be waived or otherwise not apply to such schools.

Definitions:

The following definitions are from sections 4303(a), 4310, and 8101 of the ESEA (20 U.S.C. 7221b(a), 7221i, and 7801); and 34 CFR 77.1.

Ambitious means promoting continued, meaningful improvement for program participants or for other individuals or entities affected by the grant, or representing a significant advancement in the field of education research, practices, or methodologies. When used to describe a performance target, whether a performance

target is ambitious depends upon the context of the relevant performance measure and the baseline for that measure. (34 CFR 77.1)

Authorized public chartering agency means a State educational agency, local educational agency, or other public entity that has the authority pursuant to State law and approved by the Secretary to authorize or approve a charter school. (ESEA section 4310(1))

Baseline means the starting point from which performance is measured and targets are set. (34 CFR 77.1)

Charter school means a public school that--

(a) In accordance with a specific State statute authorizing the granting of charters to schools, is exempt from significant State or local rules that inhibit the flexible operation and management of public schools, but not from any rules relating to the other requirements of this definition;

(b) Is created by a developer as a public school, or is adapted by a developer from an existing public school, and is operated under public supervision and direction;

(c) Operates in pursuit of a specific set of educational objectives determined by the school's developer and agreed to by the authorized public chartering agency;

(d) Provides a program of elementary or secondary education, or both;

(e) Is nonsectarian in its programs, admissions policies, employment practices, and all other operations, and is not affiliated with a sectarian school or religious institution;

(f) Does not charge tuition;

(g) Complies with the Age Discrimination Act of 1975, title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), section 444 of GEPA (20 U.S.C. 1232g) (commonly referred to as the "Family Educational Rights and Privacy Act of 1974") and part B of the IDEA;

(h) Is a school to which parents choose to send their children, and that--

(1) Admits students on the basis of a lottery, consistent with section 4303(c)(3)(A) of the ESEA, if more students apply for admission than can be accommodated; or

(2) In the case of a school that has an affiliated charter school (such as a school that is part of the same network of schools), automatically enrolls students who are enrolled in the immediate prior grade level of the

affiliated charter school and, for any additional student openings or student openings created through regular attrition in student enrollment in the affiliated charter school and the enrolling school, admits students on the basis of a lottery as described in paragraph (1);

(i) Agrees to comply with the same Federal and State audit requirements as do other elementary schools and secondary schools in the State, unless such State audit requirements are waived by the State;

(j) Meets all applicable Federal, State, and local health and safety requirements;

(k) Operates in accordance with State law;

(l) Has a written performance contract with the authorized public chartering agency in the State that includes a description of how student performance will be measured in charter schools pursuant to State assessments that are required of other schools and pursuant to any other assessments mutually agreeable to the authorized public chartering agency and the charter school; and

(m) May serve students in early childhood educational programs or postsecondary students. (ESEA section 4310(2))

Charter management organization means a nonprofit organization that operates or manages a network of charter

schools linked by centralized support, operations, and oversight. (ESEA section 4310(3))

Charter school support organization means a nonprofit, non-governmental entity that is not an authorized public chartering agency and provides, on a statewide basis--

(a) Assistance to developers during the planning, program design, and initial implementation of a charter school; and

(b) Technical assistance to operating charter schools. (ESEA section 4310(4))

Child with a disability means--

(a) A child (i) with intellectual disabilities, hearing impairments (including deafness), speech or language impairments, visual impairments (including blindness), serious emotional disturbance (referred to as "emotional disturbance"), orthopedic impairments, autism, traumatic brain injury, other health impairments, or specific learning disabilities; and (ii) who, by reason thereof, needs special education and related services.

(b) For a child aged 3 through 9 (or any subset of that age range, including ages 3 through 5), may, at the discretion of the State and the local educational agency, include a child (i) experiencing developmental delays, as defined by the State and as measured by appropriate

diagnostic instruments and procedures, in one or more of the following areas: physical development; cognitive development; communication development; social or emotional development; or adaptive development; and (ii) who, by reason thereof, needs special education and related services. (ESEA section 8101(4))

Demonstrates a rationale means a key project component included in the project's logic model is informed by research or evaluation findings that suggest the project component is likely to improve relevant outcomes. (34 CFR 77.1)

Developer means an individual or group of individuals (including a public or private nonprofit organization), which may include teachers, administrators and other school staff, parents, or other members of the local community in which a charter school project will be carried out. (ESEA section 4310(5))

Early childhood education program means (A) a Head Start program or an Early Head Start program carried out under the Head Start Act (42 U.S.C. 9831 et seq.), including a migrant or seasonal Head Start program, an Indian Head Start program, or a Head Start program or an Early Head Start program that also receives State funding; (B) a State licensed or regulated child care program; or

(C) a program that (i) serves children from birth through age six that addresses the children's cognitive (including language, early literacy, and early mathematics), social, emotional, and physical development; and (ii) is (I) a State prekindergarten program; (II) a program authorized under section 619 or part C of the Individuals with Disabilities Education Act; or (III) a program operated by a local educational agency. (ESEA section 8101(16))

Eligible applicant means a developer that has--

(a) Applied to an authorized public chartering authority to operate a charter school; and

(b) Provided adequate and timely notice to that authority. (ESEA section 4310(6))

English learner, when used with respect to an individual, means an individual--

(a) Who is aged 3 through 21;

(b) Who is enrolled or preparing to enroll in an elementary school or secondary school;

(c) (1) Who was not born in the United States or whose native language is a language other than English;

(2) (i) Who is a Native American or Alaska Native, or a native resident of the outlying areas; and

(ii) Who comes from an environment where a language other than English has had a significant impact on the individual's level of English language proficiency; or

(3) Who is migratory, whose native language is a language other than English, and who comes from an environment where a language other than English is dominant; and

(d) Whose difficulties in speaking, reading, writing, or understanding the English language may be sufficient to deny the individual--

(1) The ability to meet the challenging State academic standards;

(2) The ability to successfully achieve in classrooms where the language of instruction is English; or

(3) The opportunity to participate fully in society.
(ESEA section 8101(20))

Expand, when used with respect to a high-quality charter school, means to significantly increase enrollment or add one or more grades to the high-quality charter school. (ESEA section 4310(7))

High-quality charter school means a charter school that--

(a) Shows evidence of strong academic results, which may include strong student academic growth, as determined by a State;

(b) Has no significant issues in the areas of student safety, financial and operational management, or statutory or regulatory compliance;

(c) Has demonstrated success in significantly increasing student academic achievement, including graduation rates where applicable, for all students served by the charter school; and

(d) Has demonstrated success in increasing student academic achievement, including graduation rates where applicable, for each of the subgroups of students, as defined in section 1111(c)(2) of the ESEA, except that such demonstration is not required in a case in which the number of students in a group is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student. (ESEA section 4310(8))

Logic model (also referred to as theory of action) means a framework that identifies key project components of the proposed project (i.e., the active "ingredients" that are hypothesized to be critical to achieving the relevant outcomes) and describes the theoretical and operational

relationships among the key project components and relevant outcomes. (34 CFR 77.1)

Parent includes a legal guardian or other person standing in loco parentis (such as a grandparent or stepparent with whom the child lives, or a person who is legally responsible for the child's welfare). (ESEA section 8101(38))

Performance measure means any quantitative indicator, statistic, or metric used to gauge program or project performance. (34 CFR 77.1)

Performance target means a level of performance that an applicant would seek to meet during the course of a project or as a result of a project. (34 CFR 77.1)

Project component means an activity, strategy, intervention, process, product, practice, or policy included in a project. Evidence may pertain to an individual project component or to a combination of project components (e.g., training teachers on instructional practices for English learners and follow-on coaching for these teachers). (34 CFR 77.1)

Replicate, when used with respect to a high-quality charter school, means to open a new charter school, or a new campus of a high-quality charter school, based on the educational model of an existing high-quality charter

school, under an existing charter or an additional charter, if permitted or required by State law. (ESEA section 4310(9))

Relevant outcome means the student outcome(s) or other outcome(s) the key project component is designed to improve, consistent with the specific goals of the program. (34 CFR 77.1)

State means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and each of the outlying areas. (ESEA section 8101(48))

State educational agency means the agency primarily responsible for the State supervision of public elementary schools and secondary schools. (ESEA section 8101(49))

State entity means--

- (a) A State educational agency;
- (b) A State charter school board;
- (c) A Governor of a State; or
- (d) A charter school support organization. (ESEA

section 4303(a))

Program Authority: Title IV, part C of the ESEA (20 U.S.C. 7221-7221j).

Applicable Regulations: (a) The Education Department General Administrative Regulations in 34 CFR parts 75, 76, 77, 79, 81, 82, 84, 97, 98, and 99. (b) The Office of

Management and Budget Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement) in 2 CFR part 180, as adopted and amended as regulations of the Department in 2 CFR part 3485. (c) The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR part 200, as adopted and amended in 2 CFR part 3474.

II. Award Information

Type of Award: Discretionary grant.

Estimated Available Funds: The Administration has requested \$500,000,000 for the CSP for FY 2018, of which we would use an estimated \$150,000,000 for new awards under this competition. The actual level of funding, if any, depends on final congressional action. However, we are inviting applications to allow enough time to complete the grant process if Congress appropriates funds for this program.

Contingent upon the availability of funds and the quality of applications, we may make additional awards in FY 2019 from the list of unfunded applications from this competition.

Estimated Range of Awards: \$2,000,000 to \$25,000,000 per year.

Estimated Average Size of Awards: \$10,000,000 per year.

Maximum Award: See Reasonable and Necessary Costs in section III.4.(a) of this notice for information regarding the maximum amount of funds that State entities may award for each charter school receiving subgrant funds.

Estimated Number of Awards: 3-8.

Note: The Department is not bound by any estimates in this notice. The estimated range and average size of awards are based on a single 12-month budget period. We may use FY 2018 funds to support multiple 12-month budget periods for one or more grantees.

Project Period: Up to five years.

III. Eligibility Information

1. Eligible Applicants: State entities (SEs) in States with a specific State statute authorizing the granting of charters to schools.

Under section 4303(e)(1) of the ESEA, no SE may receive a grant under this competition for use in a State in which an SE has a current CSP State Entities grant. The Department has made one set of new section 4303 of the ESEA CSP State Entities grants, in FY 2017. Accordingly, no SE may receive a grant under this competition for use in a State in which an SE received a new State Entities grant in FY 2017 and is currently using the grant; these States are Indiana, Maryland, Minnesota, Mississippi, New Mexico,

Oklahoma, Rhode Island, Texas, and Wisconsin. SEs in States in which an SEA has a current CSP grant for SEAs that was awarded prior to FY 2017, under the ESEA, as amended by NCLB, are eligible to apply for a CSP State Entities grant under this competition, so long as no other SE in the State has a current CSP State Entities grant.

In addition, consistent with section 4303(e)(1) of the ESEA, if multiple SEs in a State submit applications that receive high enough scores to be recommended for funding under this competition, only the highest-scoring application among such State entities would be funded.

2. Cost Sharing or Matching: This program does not require cost sharing or matching.

3. Subgrantees: (a) Under section 4303(b) and (c)(2) of the ESEA, an SE may award subgrants to eligible applicants and technical assistance providers.

(b) Under section 4303(d)(2) of the ESEA, an SE awarding subgrants to eligible applicants must use a peer-review process to review applications.

Note: An eligible applicant (*i.e.*, charter school developer) in a State in which no SE has an approved grant application under section 4303 of the ESEA may apply for funding directly from the Department under the CSP Grants to Developers competition. Additional information about

the CSP Grants to Developers program and any upcoming competitions is available at <https://innovation.ed.gov/what-we-do/charter-schools/charter-schools-program-non-state-educational-agencies-non-sea-planning-program-design-and-initial-implementation-grant/>.

4. Other: (a) Reasonable and Necessary Costs: The Secretary may elect to impose maximum limits on the amount of subgrant funds that a SE may award to an eligible applicant per new charter school created or replicated, per charter school expanded, or per new school seat created.

For this competition, the maximum amount of subgrant funds an SE may award to a subgrantee per new charter school, replicated high-quality charter school, or expanding high-quality charter school over a five-year subgrant period is \$1,250,000.

Note: Applicants must ensure that all costs included in the proposed budget are necessary and reasonable to meet the goals and objectives of the proposed project. Any costs determined by the Secretary to be unreasonable or unnecessary will be removed from the final approved budget.

(b) Audits: (i) A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-

specific audit conducted for that year in accordance with the provisions of 2 CFR Part 200. (2 CFR 200.501(a))

(ii) A non-Federal entity that expends less than \$750,000 during the non-Federal entity's fiscal year in Federal awards is exempt from Federal audit requirements for that year, except as noted in 2 CFR 200.503 (Relation to other audit requirements), but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and Government Accountability Office (GAO). (2 CFR 200.501(d)).

IV. Application and Submission Information

1. Application Submission Instructions: For information on how to submit an application please refer to our Common Instructions for Applicants to Department of Education Discretionary Grant Programs, published in the *Federal Register* on February 12, 2018 (83 FR 6003) and available at www.gpo.gov/fdsys/pkg/FR-2018-02-12/pdf/2018-02558.pdf.

2. Submission of Proprietary Information: Given the types of projects that may be proposed in applications for the State Entities grant competition, your application may include business information that you consider proprietary. In 34 CFR 5.11 we define "business information" and describe the process we use in determining whether any of

that information is proprietary and, thus, protected from disclosure under Exemption 4 of the Freedom of Information Act (5 U.S.C. 552, as amended).

Because we plan to make successful applications available to the public, you may wish to request confidentiality of business information.

Consistent with Executive Order 12600, please designate in your application any information that you feel is exempt from disclosure under Exemption 4. In the appropriate Appendix section of your application, under "Other Attachments Form," please list the page number or numbers on which we can find this information. For additional information please see 34 CFR 5.11(c).

3. Intergovernmental Review: This program is subject to Executive Order 12372 and the regulations in 34 CFR part 79. Information about Intergovernmental Review of Federal Programs under Executive Order 12372 is in the application package for this competition.

4. Funding Restrictions: In accordance with section 4303(c) of the ESEA, an SE receiving a grant under this program shall: (a) use not less than 90 percent of the grant funds to award subgrants to eligible applicants, in accordance with the quality charter school program described in the SE's application pursuant to section

4303(f), for activities related to opening and preparing for the operation of new charter schools and replicated high-quality charter schools, or expanding high-quality charter schools; (b) reserve not less than seven percent of the grant funds to provide technical assistance to eligible applicants and authorized public chartering agencies in carrying out such activities, and work with authorized public chartering agencies in the State to improve authorizing quality, including developing capacity for, and conducting, fiscal oversight and auditing of charter schools; and (c) reserve not more than three percent of the grant funds for administrative costs, which may include technical assistance. An SE may use a grant received under this program to provide technical assistance and to work with authorized public chartering agencies to improve authorizing quality under section 4303(b)(2) of the ESEA directly or through grants, contracts, or cooperative agreements.

Limitation on Grants and Subgrants: Under section 4303(d) of the ESEA, a grant awarded by the Secretary to an SE under this competition shall be for a period of not more than five years.

A subgrant awarded by an SE under this program shall be for a period of not more than five years, of which an

eligible applicant may use not more than 18 months for planning and program design. An eligible applicant may not receive more than one subgrant under this program for each individual charter school for a five-year period, unless the eligible applicant demonstrates to the SE that such individual charter school has at least three years of improved educational results for students enrolled in such charter school, with respect to the elements described in section 4310(8)(A) and (D) of the ESEA.⁴

Other CSP Grants: A charter school that previously received CSP funds for planning or initial implementation under section 5202(c)(2) of the ESEA, as amended by NCLB (CFDA number 84.282B), or for the replication or expansion of a high-quality charter school under one of the Department's Appropriations Acts⁵ (CFDA number 84.282M), is not eligible to receive funds from an SE under this program for the same or substantially similar activities. However, a high-quality charter school (i.e., eligible applicant) that previously received CSP funds may be eligible to apply

⁴ Section 4303(e)(2) of the ESEA prescribes the circumstances under which an eligible applicant may be eligible to apply to an SE for a second subgrant for an individual charter school for a five-year period. The eligible applicant still would have to meet all program requirements, including the requirements for replicating or expanding a high-quality charter school.

⁵ Beginning with the Consolidated Appropriations Act, 2010, Pub. L. No. 111-117, each of the Department's Appropriations Acts through the FY 2016 Appropriations Act authorized the Secretary to award grants for the replication and expansion of charter schools.

to an SE for additional CSP subgrant funds to support the replication (including opening a new campus) or expansion of a high-quality charter school.

Likewise, a charter school that receives funds from an SE under this program is ineligible to receive funds for the same or substantially similar activities under section 4305(a)(2) or (b) of the ESEA.

Uses of Subgrant Funds: State entities awarded grants under this competition shall award subgrants to eligible applicants to enable such eligible applicants to--

(a) Open and prepare for the operation of new charter schools;

(b) Open and prepare for the operation of replicated high-quality charter schools; or

(c) Expand high-quality charter schools.

An eligible applicant receiving a subgrant under this program shall use such funds to support activities related to opening and preparing for the operation of new charter schools or replicating or expanding high-quality charter schools, which shall include one or more of the following:

(a) Preparing teachers, school leaders, and specialized instructional support personnel, including through paying costs associated with--

(i) Providing professional development; and

(ii) Hiring and compensating, during the eligible applicant's planning period specified in the application for subgrant funds, one or more of the following:

- (A) Teachers.
- (B) School leaders.
- (C) Specialized instructional support personnel.

(b) Acquiring supplies, training, equipment (including technology), and educational materials (including developing and acquiring instructional materials).

(c) Carrying out necessary renovations to ensure that a new school building complies with applicable statutes and regulations, and minor facilities repairs (excluding construction).

(d) Providing one-time, startup costs associated with providing transportation to students to and from the charter school.

(e) Carrying out community engagement activities, which may include paying the cost of student and staff recruitment.

(f) Providing for other appropriate, non-sustained costs related to opening, replicating, or expanding high-quality charter schools when such costs cannot be met from other sources.

Diversity of Projects: Each State entity awarding subgrants under this competition shall award subgrants in a manner that, to the extent practicable and applicable, ensures that such subgrants--

(a) Are distributed throughout different areas, including urban, suburban, and rural areas; and

(b) Will assist charter schools representing a variety of educational approaches.

Award Basis: In determining whether to approve a grant award and the amount of such award, the Department will consider, among other things, the applicant's performance and use of funds under a previous or existing award under any Department program (34 CFR 75.217(d)(3)(ii) and 233(b)). In assessing the applicant's performance and use of funds under a previous or existing award, the Secretary will consider, among other things, the outcomes the applicant has achieved and the results of any Departmental grant monitoring, including the applicant's progress in remedying any deficiencies identified in such monitoring.

We reference additional regulations outlining funding restrictions in the Applicable Regulations section of this notice.

5. Recommended Page Limit: The application narrative (Part III of the application) is where you, the applicant, address the priorities, selection criteria, and application requirements that reviewers use to evaluate your application. We recommend that you (1) limit the application narrative to no more than 60 pages and (2) use the following standards:

- A "page" is 8.5" x 11", on one side only, with 1" margins at the top, bottom, and both sides.
- Double space (no more than three lines per vertical inch) all text in the application narrative, including titles, headings, footnotes, quotations, references, and captions, as well as all text in charts, tables, figures, and graphs.
- Use a font that is either 12 point or larger or no smaller than 10 pitch (characters per inch).
- Use one of the following fonts: Times New Roman, Courier, Courier New, or Arial.

The recommended page limit does not apply to Part I, the cover sheet; Part II, the budget section, including the narrative budget justification; Part IV, the assurances and certifications; or the one-page abstract, the resumes, the bibliography, or the letters of support. However, the

recommended page limit does apply to all of the application narrative.

6. Pre-Application Webinar Information: The Department will hold a pre-application meeting via webinar for prospective applicants on Wednesday, March 14, 2018, 2:00 p.m., Eastern Time. Individuals interested in attending this meeting are encouraged to pre-register by emailing their name, organization, and contact information with the subject heading "STATE ENTITIES GRANTS PRE-APPLICATION MEETING" to CharterSchools@ed.gov. There is no registration fee for attending this meeting.

For further information about the pre-application meeting, contact Amy Huber, U.S. Department of Education, 400 Maryland Avenue, SW., room 4W222, Washington, DC 20202-5970. Telephone: (202) 453-6634 or by email: amy.huber@ed.gov.

V. Application Review Information

1. Selection Criteria: The selection criteria for this competition are from section 4303(g)(1) of the ESEA (20 U.S.C. 7221b(g)(1)) and 34 CFR 75.210. The maximum possible total score an application can receive for addressing the criteria is 100 points. The maximum possible score for addressing each criterion is indicated in parentheses following the criterion.

(a) Quality of the Project Design (up to 15 points).

The Secretary considers the quality of the design of the proposed project. In determining the quality of the design of the proposed project, the Secretary considers:

(1) The extent to which the proposed project demonstrates a rationale (up to 10 points); and

(2) The extent to which the goals, objectives, and outcomes to be achieved by the proposed project are clearly specified and measurable (up to 5 points).

(b) Objectives (up to 20 points): The ambitiousness of the State entity's objectives for the quality charter school program carried out under the CSP State Entities program.

Note: In response to this criterion, an applicant may address (or cross reference) some or all of the components of application requirements (I)(A)-(G) in this notice, which require the applicant to provide a description of the State entity's objectives in running a quality charter school program and how the objectives of the program will be carried out.

(c) Quality of Eligible Subgrant Applicants (up to 15 points): The likelihood that the eligible applicants receiving subgrants under the program will meet those objectives and improve educational results for students.

(d) State Plan (up to 20 points): The State entity's plan to--

(1) Adequately monitor the eligible applicants receiving subgrants under the State entity's program;

(2) Work with the authorized public chartering agencies involved to avoid duplication of work for the charter schools and authorized public chartering agencies; and

(3) Provide technical assistance and support for--

(i) The eligible applicants receiving subgrants under the State entity's program; and

(ii) Quality authorizing efforts in the State.

(e) Quality of the Management Plan (up to 15 points).

The Secretary considers the quality of the management plan for the proposed project. In determining the quality of the management plan for the proposed project, the Secretary considers:

(1) The adequacy of the management plan to achieve the objectives of the proposed project on time and within budget, including clearly defined responsibilities, timelines, and milestones for accomplishing project tasks (up to 10 points); and

(2) The extent to which the time commitments of the project director and principal investigator and other key

project personnel are appropriate and adequate to meet the objectives of the proposed project (up to 5 points).

(f) Parent and Community Involvement (up to 10 points): The State entity's plan to solicit and consider input from parents and other members of the community on the implementation and operation of charter schools in the State.

(g) Flexibility (up to 5 points): The degree of flexibility afforded by the State's charter school law and how the State entity will work to maximize the flexibility provided to charter schools under such law.

2. Review and Selection Process: We remind potential applicants that in reviewing applications in any discretionary grant competition, the Secretary may consider, under 34 CFR 75.217(d) (3), the past performance of the applicant in carrying out a previous award, such as the applicant's use of funds, achievement of project objectives, and compliance with grant conditions. The Secretary may also consider whether the applicant failed to submit a timely performance report or submitted a report of unacceptable quality.

In addition, in making a competitive grant award, the Secretary requires various assurances, including those applicable to Federal civil rights laws that prohibit

discrimination in programs or activities receiving Federal financial assistance from the Department (34 CFR 100.4, 104.5, 106.4, 108.8, and 110.23).

3. Risk Assessment and Specific Conditions:

Consistent with 2 CFR 200.205, before awarding grants under this competition the Department conducts a review of the risks posed by applicants. Under 2 CFR 3474.10, the Secretary may impose specific conditions and, in appropriate circumstances, high-risk conditions on a grant if the applicant or grantee is not financially stable; has a history of unsatisfactory performance; has a financial or other management system that does not meet the standards in 2 CFR part 200, subpart D; has not fulfilled the conditions of a prior grant; or is otherwise not responsible.

4. Integrity and Performance System: If you are selected under this competition to receive an award that over the course of the project period may exceed the simplified acquisition threshold (currently \$150,000) under 2 CFR 200.205(a)(2), we must make a judgment about your integrity, business ethics, and record of performance under Federal awards--that is, the risk posed by you as an applicant--before we make an award. In doing so, we must consider any information about you that is in the integrity and performance system (currently referred to as the

Federal Awardee Performance and Integrity Information System (FAPIIS)), accessible through the System for Award Management. You may review and comment on any information about yourself that a Federal agency previously entered and that is currently in FAPIIS.

Please note that, if the total value of your currently active grants, cooperative agreements, and procurement contracts from the Federal Government exceeds \$10,000,000, the reporting requirements in 2 CFR part 200, Appendix XII, require you to report certain integrity information to FAPIIS semiannually. Please review the requirements in 2 CFR part 200, Appendix XII, if this grant plus all the other Federal funds you receive exceed \$10,000,000.

VI. Award Administration Information

1. Award Notices: If your application is successful, we notify your U.S. Representative and U.S. Senators and send you a Grant Award Notification (GAN); or we may send you an email containing a link to access an electronic version of your GAN. We may notify you informally, also.

If your application is not evaluated or not selected for funding, we notify you.

2. Administrative and National Policy Requirements: We identify administrative and national policy requirements in the application package and reference these and other

requirements in the Applicable Regulations section of this notice.

We reference the regulations outlining the terms and conditions of an award in the Applicable Regulations section of this notice and include these and other specific conditions in the GAN. The GAN also incorporates your approved application as part of your binding commitments under the grant.

3. Open Licensing Requirements: Unless an exception applies, if you are awarded a grant under this competition, you will be required to openly license to the public grant deliverables created in whole, or in part, with Department grant funds. When the deliverable consists of modifications to pre-existing works, the license extends only to those modifications that can be separately identified and only to the extent that open licensing is permitted under the terms of any licenses or other legal restrictions on the use of pre-existing works. Please refer to the Applicable Regulations section to see if an exception under 2 CFR part 3474 applies for this program. For additional information on the open licensing requirements please refer to 2 CFR 3474.20(c).

4. Reporting: (a) If you apply for a grant under this competition, you must ensure that you have in place

the necessary processes and systems to comply with the reporting requirements in 2 CFR part 170 should you receive funding under the competition. This does not apply if you have an exception under 2 CFR 170.110(b).

(b) At the end of your project period, you must submit a final performance report, including financial information, as directed by the Secretary. If you receive a multiyear award, you must submit an annual performance report that provides the most current performance and financial expenditure information as directed by the Secretary under 34 CFR 75.118. The Secretary may also require more frequent performance reports under 34 CFR 75.720(c). For specific requirements on reporting, please go to www.ed.gov/fund/grant/apply/appforms/appforms.html.

(c) In accordance with section 4303(i) of the ESEA, each State entity receiving a grant under this section must submit to the Secretary, at the end of the third year of the five-year grant period (or at the end of the second year if the grant period is less than five years), and at the end of such grant period, a report that includes the following:

(1) The number of students served by each subgrant awarded under this section and, if applicable, the number

of new students served during each year of the period of the subgrant.

(2) A description of how the State entity met the objectives of the quality charter school program described in the State entity's application, including--

(A) How the State entity met the objective of sharing best and promising practices as outlined in section 4303(f) (1) (A) (ix) of the ESEA in areas such as instruction, professional development, curricula development, and operations between charter schools and other public schools; and

(B) If known, the extent to which such practices were adopted and implemented by such other public schools.

(3) The number and amount of subgrants awarded under this program to carry out activities described in section 4303(b) (1) (A) through (C) of the ESEA.

(4) A description of--

(A) How the State entity complied with, and ensured that eligible applicants complied with, the assurances included in the State entity's application; and

(B) How the State entity worked with authorized public chartering agencies, and how the agencies worked with the management company or leadership of the schools

that received subgrant funds under this program, if applicable.

(d) Under 34 CFR 75.250(b), the Secretary may provide a grantee with additional funding for data collection analysis and reporting. In this case the Secretary establishes a data collection period.

5. Performance Measures:

(a) The primary goal of the CSP is to support the creation and development of a large number of high-quality charter schools that are free from State or local rules that inhibit flexible operation, are held accountable for enabling students to reach challenging State performance standards, and are open to all students. The Secretary has established two performance indicators to measure annual progress towards this goal: (1) the number of new charter schools and charter school campuses in operation around the Nation; (2) the number of states that demonstrate annual increases in the percentage of fourth- and eighth-grade charter school students who are achieving at or above the proficient level on State assessments in mathematics and reading/language arts; (3) the number of states that demonstrate annual decreases in the percentage of charter schools that are identified as a comprehensive support and improvement school. Additionally, the Secretary has

established the following measure to examine the efficiency of the CSP: Federal cost per student in implementing a successful school (defined as a school in operation for three or more consecutive years).

(b) Project-Specific Performance Measures. Applicants must propose project-specific performance measures and performance targets consistent with the objectives of the proposed project. Applications must provide the following information as directed under 34 CFR 75.110(b) and (c).

(1) Performance measures. How each proposed performance measure would accurately measure the performance of the project and how the proposed performance measure would be consistent with the performance measures established for the program funding the competition.

(2) Baseline data. (i) Why each proposed baseline is valid; or (ii) If the applicant has determined that there are no established baseline data for a particular performance measure, an explanation of why there is no established baseline and of how and when, during the project period, the applicant would establish a valid baseline for the performance measure.

(3) Performance targets. Why each proposed performance target is ambitious yet achievable compared to the baseline for the performance measure and when, during

the project period, the applicant would meet the performance target(s).

(4) Data collection and reporting. (i) The data collection and reporting methods the applicant would use and why those methods are likely to yield reliable, valid, and meaningful performance data; and (ii) The applicant's capacity to collect and report reliable, valid, and meaningful performance data, as evidenced by high-quality data collection, analysis, and reporting in other projects or research.

All grantees must submit an annual performance report with information that is responsive to these performance measures.

6. Continuation Awards: In making a continuation award under 34 CFR 75.253, the Secretary considers, among other things: whether a grantee has made substantial progress in achieving the goals and objectives of the project; whether the grantee has expended funds in a manner that is consistent with its approved application and budget; and, if the Secretary has established performance measurement requirements, the performance targets in the grantee's approved application.

In making a continuation award, the Secretary also considers whether the grantee is operating in compliance

with the assurances in its approved application, including those applicable to Federal civil rights laws that prohibit discrimination in programs or activities receiving Federal financial assistance from the Department (34 CFR 100.4, 104.5, 106.4, 108.8, and 110.23).

7. Project Director's Meeting: Applicants approved for funding under this competition must attend a two-day meeting for project directors at a location to be determined in the continental United States during each year of the project. Applicants may include the cost of attending this meeting in their proposed budgets.

VII. Other Information

Accessible Format: Individuals with disabilities can obtain this document and a copy of the application package in accessible format (e.g., braille, large print, audiotape, or compact disc) on request to the program contact person listed under FOR FURTHER INFORMATION CONTACT.

Electronic Access to This Document: The official version of this document is the document published in the *Federal Register*. You may access the official edition of the *Federal Register* and the Code of Federal Regulations via the Federal Digital System at: www.gpo.gov/fdsys. At this site you can view this document, as well as all other

documents of this Department published in the *Federal Register*, in text or Portable Document Format (PDF). To use PDF you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the *Federal Register* by using the article search feature at: www.federalregister.gov. Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Dated: March 6, 2018.

Margo Anderson,
Acting Assistant Deputy Secretary
for Innovation and Improvement.

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