

# U.S. Department of Education

Washington, D.C. 20202-5335



## APPLICATION FOR GRANTS UNDER THE

**CHARTER SCHOOLS PROGRAM STATE EDUCATION AGENCY**  
**CFDA # 84.282A**  
**PR/Award # U282A090011**  
**Grants.gov Tracking#: GRANT10141394**

There were problems converting one or more of the attachments. Please see list below.

Closing Date: JAN 29, 2009

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There was a problem converting the following attachments:

- (1237-NM 09 CSP Resumes & Appendices.doc)

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This application was generated using the PDF functionality. The PDF functionality automatically numbers the pages in this application. Some pages/sections of this application may contain 2 sets of page numbers, one set created by the applicant and the other set created by e-Application's PDF functionality. Page numbers created by the e-Application PDF functionality will be preceded by the letter e (for example, e1, e2, e3, etc.).

## Application for Federal Assistance SF-424

Version 02

## \* 1. Type of Submission:

- Preapplication  
 Application  
 Changed/Corrected Application

## \* 2. Type of Application:

- New  
 Continuation  
 Revision

## \* If Revision, select appropriate letter(s):

## \* Other (Specify)

## \* 3. Date Received:

01/29/2009

## 4. Applicant Identifier:

## 5a. Federal Entity Identifier:

## \* 5b. Federal Award Identifier:

## State Use Only:

## 6. Date Received by State:

## 7. State Application Identifier:

## 8. APPLICANT INFORMATION:

## \* a. Legal Name:

New Mexico Public Education Department

## \* b. Employer/Taxpayer Identification Number (EIN/TIN):

85-6000565

## \* c. Organizational DUNS:

808561690

## d. Address:

## \* Street1:

300 Don Gaspar

## Street2:

## \* City:

Santa Fe

## County:

## \* State:

NM: New Mexico

## Province:

## \* Country:

USA: UNITED STATES

## \* Zip / Postal Code:

87501

## e. Organizational Unit:

## Department Name:

## Division Name:

Charter Schools Division

## f. Name and contact information of person to be contacted on matters involving this application:

## Prefix:

Dr.

## \* First Name:

Robert

## Middle Name:

J.

## \* Last Name:

Olix

## Suffix:

## Title:

CSP Project Director

## Organizational Affiliation:

## \* Telephone Number:

505-222-4764

## Fax Number:

505-222-4769

## \* Email:

robert.olix@state.nm.us

**Application for Federal Assistance SF-424**

Version 02

**9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

\* Other (specify):

**\* 10. Name of Federal Agency:**

U.S. Department of Education

**11. Catalog of Federal Domestic Assistance Number:**

84.282

CFDA Title:

Charter Schools

**\* 12. Funding Opportunity Number:**

ED-GRANTS-121508-001

\* Title:

Charter School Programs (CSP)

**13. Competition Identification Number:**

84-282A2009-1

Title:

**14. Areas Affected by Project (Cities, Counties, States, etc.):**

State of New Mexico

**\* 15. Descriptive Title of Applicant's Project:**

New Mexico Charter Schools Grant Program

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

## Application for Federal Assistance SF-424

Version 02

## 16. Congressional Districts Of:

\* a. Applicant

03

\* b. Program/Project

NM-ALL

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

## 17. Proposed Project:

\* a. Start Date:

08/01/2009

\* b. End Date:

07/31/2012

## 18. Estimated Funding (\$):

|                     |               |
|---------------------|---------------|
| * a. Federal        | 15,157,900.00 |
| * b. Applicant      | 0.00          |
| * c. State          | 0.00          |
| * d. Local          | 0.00          |
| * e. Other          | 0.00          |
| * f. Program Income | 0.00          |
| * g. TOTAL          | 15,157,900.00 |

## \* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?

 a. This application was made available to the State under the Executive Order 12372 Process for review on  b. Program is subject to E.O. 12372 but has not been selected by the State for review. c. Program is not covered by E.O. 12372.

## \* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)

 Yes No

Explanation

21. \*By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

 \*\* I AGREE

\*\* The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

## Authorized Representative:

Prefix: Dr. \* First Name: Veronica

Middle Name: C.

\* Last Name: Garcia

Suffix: 

\* Title: Secretary of Education

\* Telephone Number: 505-827-6788 Fax Number: 505-827-6725

\* Email: lori.bachman@state.nm.us

\* Signature of Authorized Representative: Robert Olix \* Date Signed: 01/29/2009

**Application for Federal Assistance SF-424**

Version 02

**\* Applicant Federal Debt Delinquency Explanation**

The following field should contain an explanation if the Applicant organization is delinquent on any Federal Debt. Maximum number of characters that can be entered is 4,000. Try and avoid extra spaces and carriage returns to maximize the availability of space.



**U.S. DEPARTMENT OF EDUCATION**  
**BUDGET INFORMATION**  
**NON-CONSTRUCTION PROGRAMS**

OMB Control Number: 1890-0004

Expiration Date: 06/30/2005

Name of Institution/Organization:  
 New Mexico Public Education Depa...

Applicants requesting funding for only one year should complete the column under "Project Year 1." Applicants requesting funding for multi-year grants should complete all applicable columns. Please read all instructions before completing form.

**SECTION A - BUDGET SUMMARY**  
**U.S. DEPARTMENT OF EDUCATION FUNDS**

| Budget Categories                    | Project Year 1(a) | Project Year 2<br>(b) | Project Year 3<br>(c) | Project Year 4<br>(d) | Project Year 5<br>(e) | Total (f)     |
|--------------------------------------|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------|
| 1. Personnel                         | \$ 97,550         | \$ 97,550             | \$ 97,550             | \$ 0                  | \$ 0                  | \$ 292,650    |
| 2. Fringe Benefits                   | \$ 32,191         | \$ 32,191             | \$ 32,191             | \$ 0                  | \$ 0                  | \$ 96,574     |
| 3. Travel                            | \$ 30,000         | \$ 30,000             | \$ 30,000             | \$ 0                  | \$ 0                  | \$ 90,000     |
| 4. Equipment                         | \$ 3,000          | \$ 3,000              | \$ 3,000              | \$ 0                  | \$ 0                  | \$ 9,000      |
| 5. Supplies                          | \$ 3,000          | \$ 3,000              | \$ 3,000              | \$ 0                  | \$ 0                  | \$ 9,000      |
| 6. Contractual                       | \$ 50,000         | \$ 50,000             | \$ 50,000             | \$ 0                  | \$ 0                  | \$ 150,000    |
| 7. Construction                      | \$ 0              | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0          |
| 8. Other                             | \$ 4,800,000      | \$ 4,800,000          | \$ 4,800,000          | \$ 0                  | \$ 0                  | \$ 14,400,000 |
| 9. Total Direct Costs<br>(lines 1-8) | \$ 5,015,741      | \$ 5,015,741          | \$ 5,015,741          | \$ 0                  | \$ 0                  | \$ 15,047,224 |
| 10. Indirect Costs*                  | \$ 36,891         | \$ 36,891             | \$ 36,891             | \$ 0                  | \$ 0                  | \$ 110,675    |
| 11. Training Stipends                | \$ 0              | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0          |
| 12. Total Costs (lines 9-11)         | \$ 5,052,633      | \$ 5,052,633          | \$ 5,052,633          | \$ 0                  | \$ 0                  | \$ 15,157,899 |

**\*Indirect Cost Information (To Be Completed by Your Business Office):**

If you are requesting reimbursement for indirect costs on line 10, please answer the following questions:

- (1) Do you have an Indirect Cost Rate Agreement approved by the Federal government?  Yes  No
- (2) If yes, please provide the following information:  
 Period Covered by the Indirect Cost Rate Agreement: From: 7/1/2008 To: 6/30/2009 (mm/dd/yyyy)  
 Approving Federal agency:  ED  Other (please specify): \_\_\_\_\_
- (3) For Restricted Rate Programs (check one) -- Are you using a restricted indirect cost rate that:  
 Is included in your approved Indirect Cost Rate Agreement? or,  Complies with 34 CFR 76.564(c)(2)?



**U.S. DEPARTMENT OF EDUCATION**  
**BUDGET INFORMATION**  
**NON-CONSTRUCTION PROGRAMS**

OMB Control Number: 1890-0004

Expiration Date: 06/30/2005

Name of Institution/Organization:  
 New Mexico Public Education Depa...

Applicants requesting funding for only one year should complete the column under "Project Year 1." Applicants requesting funding for multi-year grants should complete all applicable columns. Please read all instructions before completing form.

**SECTION B - BUDGET SUMMARY**  
**NON-FEDERAL FUNDS**

| Budget Categories                    | Project Year 1(a) | Project Year 2<br>(b) | Project Year 3<br>(c) | Project Year 4<br>(d) | Project Year 5<br>(e) | Total (f) |
|--------------------------------------|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------|
| 1. Personnel                         | \$ 0              | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0      |
| 2. Fringe Benefits                   | \$ 0              | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0      |
| 3. Travel                            | \$ 0              | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0      |
| 4. Equipment                         | \$ 0              | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0      |
| 5. Supplies                          | \$ 0              | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0      |
| 6. Contractual                       | \$ 0              | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0      |
| 7. Construction                      | \$ 0              | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0      |
| 8. Other                             | \$ 0              | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0      |
| 9. Total Direct Costs<br>(lines 1-8) | \$ 0              | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0      |
| 10. Indirect Costs                   | \$ 0              | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0      |
| 11. Training Stipends                | \$ 0              | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0      |
| 12. Total Costs (lines 9-11)         | \$ 0              | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0                  | \$ 0      |

## ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee- 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

|   |  |
|---|--|
| <p>* SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL</p> <p>Robert Olix</p>       | <p>* TITLE</p> <p>Secretary of Education</p> |
| <p>* APPLICANT ORGANIZATION</p> <p>New Mexico Public Education Department</p> | <p>* DATE SUBMITTED</p> <p>01/29/2009</p>    |

Standard Form 424B (Rev. 7-97) Back

# DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C.1352

Approved by OMB  
0348-0046

|  |  |  |
|--|--|--|
| <b>1. * Type of Federal Action:</b><br><input type="checkbox"/> a. contract<br><input checked="" type="checkbox"/> b. grant<br><input type="checkbox"/> c. cooperative agreement<br><input type="checkbox"/> d. loan<br><input type="checkbox"/> e. loan guarantee<br><input type="checkbox"/> f. loan insurance | <b>2. * Status of Federal Action:</b><br><input type="checkbox"/> a. bid/offer/application<br><input checked="" type="checkbox"/> b. initial award<br><input type="checkbox"/> c. post-award | <b>3. * Report Type:</b><br><input checked="" type="checkbox"/> a. initial filing<br><input type="checkbox"/> b. material change |
|--|--|--|

**4. Name and Address of Reporting Entity:**  
 Prime     SubAwardee

\* Name:

\* Street 1:     Street 2:

\* City:     State:     Zip:

Congressional District, if known:

**5. If Reporting Entity in No.4 is Subawardee, Enter Name and Address of Prime:**

|  |  |
|--|--|
| <b>6. * Federal Department/Agency:</b><br><input type="text" value="U. S. Department of Education"/> | <b>7. * Federal Program Name/Description:</b><br><input type="text" value="Charter Schools"/><br>CFDA Number, if applicable: <input type="text" value="84.282"/> |
|--|--|

|  |  |
|--|--|
| <b>8. Federal Action Number, if known:</b><br><input type="text"/> | <b>9. Award Amount, if known:</b><br>\$ <input type="text"/> |
|--|--|

**10. a. Name and Address of Lobbying Registrant:**

Prefix  \* First Name  Middle Name

\* Last Name  Suffix

\* Street 1  Street 2

\* City  State  Zip

**b. Individual Performing Services** (including address if different from No. 10a)

Prefix  \* First Name  Middle Name

\* Last Name  Suffix

\* Street 1  Street 2

\* City  State  Zip

**11.** Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when the transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

\* Signature:

\* Name: Prefix  \* First Name  Middle Name   
\* Last Name  Suffix

Title:  Telephone No.:  Date:

|                          |  |
|--------------------------|--|
| <b>Federal Use Only:</b> | Authorized for Local Reproduction<br>Standard Form - LLL (Rev. 7-97) |
|--------------------------|--|

**NOTICE TO ALL APPLICANTS**

The purpose of this enclosure is to inform you about a new provision in the Department of Education's General Education Provisions Act (GEPA) that applies to applicants for new grant awards under Department programs. This provision is Section 427 of GEPA, enacted as part of the Improving America's Schools Act of 1994 (Public Law (P.L.) 103-382).

**To Whom Does This Provision Apply?**

Section 427 of GEPA affects applicants for new grant awards under this program. **ALL APPLICANTS FOR NEW AWARDS MUST INCLUDE INFORMATION IN THEIR APPLICATIONS TO ADDRESS THIS NEW PROVISION IN ORDER TO RECEIVE FUNDING UNDER THIS PROGRAM.**

(If this program is a State-formula grant program, a State needs to provide this description only for projects or activities that it carries out with funds reserved for State-level uses. In addition, local school districts or other eligible applicants that apply to the State for funding need to provide this description in their applications to the State for funding. The State would be responsible for ensuring that the school district or other local entity has submitted a sufficient section 427 statement as described below.)

**What Does This Provision Require?**

Section 427 requires each applicant for funds (other than an individual person) to include in its application a description of the steps the applicant proposes to take to ensure equitable access to, and participation in, its Federally-assisted program for students, teachers, and other program beneficiaries with special needs. This provision allows applicants discretion in developing the required description. The statute highlights six types of barriers that can impede equitable access or participation: gender, race, national origin, color, disability, or age. Based on local circumstances, you should determine whether these or other barriers may prevent your students, teachers, etc. from such access or participation in, the Federally-funded project or activity. The description in your application of steps to be taken to overcome these barriers need not be lengthy; you may provide a clear and succinct

description of how you plan to address those barriers that are applicable to your circumstances. In addition, the information may be provided in a single narrative, or, if appropriate, may be discussed in connection with related topics in the application.

Section 427 is not intended to duplicate the requirements of civil rights statutes, but rather to ensure that, in designing their projects, applicants for Federal funds address equity concerns that may affect the ability of certain potential beneficiaries to fully participate in the project and to achieve to high standards. Consistent with program requirements and its approved application, an applicant may use the Federal funds awarded to it to eliminate barriers it identifies.

**What are Examples of How an Applicant Might Satisfy the Requirement of This Provision?**

The following examples may help illustrate how an applicant may comply with Section 427.

(1) An applicant that proposes to carry out an adult literacy project serving, among others, adults with limited English proficiency, might describe in its application how it intends to distribute a brochure about the proposed project to such potential participants in their native language.

(2) An applicant that proposes to develop instructional materials for classroom use might describe how it will make the materials available on audio tape or in braille for students who are blind.

(3) An applicant that proposes to carry out a model science program for secondary students and is concerned that girls may be less likely than boys to enroll in the course, might indicate how it intends to conduct "outreach" efforts to girls, to encourage their enrollment.

We recognize that many applicants may already be implementing effective steps to ensure equity of access and participation in their grant programs, and we appreciate your cooperation in responding to the requirements of this provision.

**Estimated Burden Statement for GEPA Requirements**

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is **1894-0005**. The time required to complete this information collection is estimated to average 1.5 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. **If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to:** U.S. Department of Education, 400 Maryland Avenue, S.W., Washington, D.C. 20202-4537.

**Optional - You may attach 1 file to this page.**

NM 09 CSP GEPA 427 Statement.doc

Add Attachment

Delete Attachment

View Attachment

## New Mexico Public Education Department

### Statement Addressing the Provisions of Section 427 of GEPA

The New Mexico Charter Schools Program will ensure equitable access to, and participation in, its federally-assisted charter schools program for students, teachers, and other program beneficiaries with special needs. All students, teachers and other beneficiaries, regardless of gender, race, national origin, color, disability or age, will have equitable access to, and participation in, the federally-assisted chart schools program.

Racial and ethnic diversity are defining features of New Mexico's social landscape. New Mexico is one of only four states (including Hawaii, California and Texas) where non-Hispanic Whites comprise less than one-half of the state's population. Consequently, national concepts of "minorities" and "majorities" are not necessarily accurate in New Mexico where, at least numerically, everyone belongs to a minority group. Charter schools in the state serve significant numbers of members of groups that have been traditionally underrepresented based on race, color, national origin, gender, age or disability. The New Mexico Charter School Grant Program will ensure equal access to charter schools for members of groups who have been traditionally underrepresented based on race, color, national origin, gender, age and disability.

New Mexico charter schools are public schools. As public schools they cannot have admission requirements and must be open to all students. Students with educational disabilities, limited English proficiency (LEP), and at-risk students are eligible to attend a charter school on the same basis as all other students. Charter schools are required to provide a free and appropriate educational program for every child who is enrolled in those schools.

There are several sections in New Mexico Statutes that provide additional clarification of the responsibilities of charter schools to serve the needs of all students. These include:

- Section 22-8B-13B states, “That portion of money from state or federal programs generated by student enrolled in a charter school shall be allocated to charter schools serving student eligible for that aid”.
- The New Mexico Public Education Department has also clarified the responsibility of charter schools to serve students with disabilities through an administrative directive passed in December 2000.
- Section 22-8B-4 NMSA, 1978 of the Charter School Act states that, “a charter school shall be subject to all federal and state laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, gender, national origin, religion, ancestry, or need for special education services.”
- Section 22-8B-4.1 NMSA, 1978 defines a charter school’s enrollment procedure. All charter schools must provide an equal opportunity for any child to attend a charter school. In a charter schools enrollment policy, the governing board must explain how every child will be given an equal chance of enrolling in the charter school through the school’s lottery process. The charter school must describe how (in what languages and venues) they will publicize the school to enable all students’ equal access.

The New Mexico Charter Schools Grant Program will ensure that charter schools in the state abide by these statutes.

Among the services provided by the New Mexico Charter Schools Grant Program are training and technical assistance to enable teachers and administrators to address the special needs of students, teachers and other beneficiaries. Information provided on the Charter School Division’s website will address specific special needs issues, to include information on best practices for addressing special needs issues.

## CERTIFICATION REGARDING LOBBYING

### Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

### Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

#### \* APPLICANT'S ORGANIZATION

New Mexico Public Education Department

#### \* PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

Prefix: Dr. \* First Name: Veronica Middle Name: C.

\* Last Name: Garcia Suffix:

\* Title: Secretary of Education

\* SIGNATURE: Robert Olix

\* DATE: 01/29/2009

Close Form

SUPPLEMENTAL INFORMATION  
REQUIRED FOR  
DEPARTMENT OF EDUCATION GRANTS

1. Project Director:

Prefix: \* First Name: Middle Name: \* Last Name: Suffix:

Dr. Robert J. Olix

Address:

\* Street1: 5600 Eagle Rock Ave. NE

Street2:

\* City: Albuquerque

County:

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Email Address:

robert.olix@state.nm.us

2. Applicant Experience:

Novice Applicant  Yes  No  Not applicable to this program

3. Human Subjects Research

Are any research activities involving human subjects planned at any time during the proposed project Period?

Yes  No

Are ALL the research activities proposed designated to be exempt from the regulations?

Yes Provide Exemption(s) #:

No Provide Assurance #, if available:

Please attach an explanation Narrative:

Add Attachment Delete Attachment View Attachment

# Project Narrative

## Abstract Narrative

Attachment 1:

Title: Pages: Uploaded File: **1235-NM 09 CSP Abstract Narrative.doc**

## ABSTRACT NARRATIVE

Applicant:

New Mexico Public Education Department  
300 Don Gaspar  
Santa Fe, NM 87501

Contact Person:

Robert J. Olix, Ed.D.  
Charter Schools Division  
5600 Eagle Rock Ave. NE  
Albuquerque, NM 87113  
(505) 222-4764      robert.olix@state.nm.us

Project Title:

**New Mexico Charter Schools Grant Program**

New Mexico requests a grant of \$15,157,900.00 to achieve the purposes of the Charter Schools Program by increasing the number of high-quality charter schools in the state. Over the next three years, 2009 to 2012, these grant funds will support the planning, program design, and implementation of new charter schools in New Mexico as well as limited administrative costs for the management and accomplishment of the grant objectives.

New Mexico's objectives for the grant period include increasing the total number of charter schools in the state to include an increase in the number of charter schools that offer programs designed to improve the academic achievement of at-risk students, and to improve the academic achievement of all charter school students.

New Mexico will provide a competitive preference and incentives to developers desiring to establish schools for at-risk students and employ its Standards for High-Quality Charter Schools to insure that charter schools are effective examples of educational reform and that students receive the full educational benefits of charter school attendance. The state will insure that all interested parties – the public, LEAS, parents and educators – are informed of the purpose of charter schools and the availability of these federal funds for financial assistance.

# Project Narrative

## Project Narrative

Attachment 1:

Title: Pages: Uploaded File: **1238-NM 09 CSP Project Narrative.doc**

**APPLICATION FOR GRANT FUNDING**

**CFDA 84.282a**

**NEW MEXICO CHARTER SCHOOLS GRANT PROGRAM**

**SUBMITTED TO**

**U. S. DEPARTMENT OF EDUCATION**

**OFFICE OF INNOVATION AND IMPROVEMENT**

**BY**

**NEW MEXICO PUBLIC EDUCATION DEPARTMENT**

**CHARTER SCHOOLS DIVISION**

**300 DON GASPAR**

**SANTA FE, NEW MEXICO 87501**

**JANUARY 28, 2009**

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## **Introduction**

### **Recent Developments in New Mexico Charter School Authorizing - 2006-2009**

In New Mexico, charter schools are authorized under the provisions of the Charter Schools Act of 1999 (as amended, included herein as Appendix A). From the date of enactment until July 1, 2007, all charter schools were authorized by local school districts. In 2006, the state legislature amended the Charter Schools Act to provide for state-level authorization of charter schools as an alternative to authorization by school districts. The New Mexico Public Education Commission was designated as the state's authorizing body. This legislation also created the Charter Schools Division (CSD) within the NM Public Education Department (NMPED) under the leadership of an Assistant Secretary of Education for Charter Schools. The Division assumed the responsibilities of the former Charter Schools Bureau and was also tasked with providing staff support to the Commission and for making recommendations for approval, denial, suspension and revocation of the charters of state-chartered schools. After authorization, state-chartered schools are accountable to the NMPED for the execution of their charters just as locally-chartered schools are accountable to their authorizing districts.

We have chosen to include this introduction as part of our application for federal funding in order to point out that New Mexico has entered a significantly new era in the development of the charter schools movement in our state. The advent of state chartering greatly expands the role and responsibility of the NMPED over state-chartered schools beyond that which previously existed in relation to locally-chartered schools for which the authorizing district has the primary responsibility. NMPED responsibility for state-chartered schools brings with it a higher degree of direct accountability for state-chartered school operation, management and success without

the buffer of primary district responsibility that effectively limited NMPED involvement in charter school operations.

Under the revised law, a state-chartered school is exempt from any requirements of the school district in which it is located and it is established as its own local education agency (LEA) but without bonding authority. Consequently, a state-chartered school has greater autonomy and also greater responsibility for its programs, management, policies and accountability.

The impending availability of state chartering authority had an immediate effect on the number of applicants for new charters. At the time of the new legislation, New Mexico had 63 charter schools. During the three previous years, an average of nine new charter schools was authorized each year by school districts. In Project Year 2006-2007, the year before state chartering came into effect, only four new charter schools applied for and were locally chartered, bringing the total on July 1, 2007 to 67 charter schools. This decrease in charter applications was attributable to developers choosing to wait until state chartering was available before submitting their applications.

By July 1, 2007, the deadline for submission of new charter applications and the first year that state chartering was available, eight applications had been submitted to the Commission for state chartering and only two applications had been submitted to local district authorizers, clearly indicating a strong preference by developers for a state, rather than a district, charter. The development and application of new, high-quality state charter school standards by the CSD and the Commission resulted in the authorization of only two of the eight state charter applications. Both of the district applicants were approved, and the total number of new charters approved in Project Year 2007-2008 was again only four.

The development and application of new, high-quality state charter school standards by the CSD and the Commission was accompanied by a commitment to increased technical assistance to developers and greater transparency in the authorization process. CSD sought assistance from the National Association of Charter School Authorizers (NACSA) to develop new forms and procedures to assist charter school developers in understanding the application process and how their applications would be evaluated. After development, these new forms and procedures were placed on the NMPED website and widely disseminated. These forms and procedures have become models for best practices available for adoption by local district authorizers.

CSD, in collaboration with the New Mexico Coalition for Charter Schools, conducted workshops for prospective applicants that provided technical assistance on how to write an application for a charter school. These workshops were offered over several months and at no cost to the charter school developers. NMPED received thirty-four notices from charter school developers of their intent to submit charter applications in 2008; twenty-eight of these charter school developers attended at least one of the workshops.

In Project Year 2008-2009, twelve new charter school applications were received, eleven by the Commission and one by a local school district. Of the eleven applications for state charters, six were approved. The local district applicant was also approved, bringing the 2008-2009 number of new charter schools to seven and the total number of New Mexico charter schools to 74.

Thus, an overall effect of state chartering has been to initially decrease the average number of new charters approved each year from nine to five. As stated above, we attribute this overall decrease to the preference of developers to seek state authorization instead of district

authorization, which then brings their applications under greater scrutiny due to the implementation of new, higher quality standards of authorization. We would immediately point out, however, that the increase in 2008 charter authorizations from four new schools in each of the two previous years to seven new schools is a strong indication that developers are quickly adapting, with CSD training and technical assistance, to the necessity for higher standards in charter school design and management. At this writing, NMPED has received thirty-one notices from charter school developers of their intent to submit charter applications in 2009 and, continuing the trend, the majority of those developers intend to seek a state charter.

The NM Charter Schools Act provides that an approved charter school has one year to both plan and implement the new school. It is the expectation of the law that on the first day the new charter school opens its doors to students, the school is prepared to implement a high-quality educational program. This legal requirement and expectation caused the NMPED and the CSD to review and reconsider its CSP grant management and funding practices. In doing so, it became exceedingly clear that the prior practice of distributing partial funding annually over an extended period (e.g., up to three years), or in separate discrete amounts, first for planning and then for implementation purposes, prevented new schools from providing the promised instructional programs, facilities, and materials that would allow students to receive the full benefits of charter school attendance. Instead, schools receiving grant funds via that method were only partially prepared to provide the programs approved in their charters when they opened their doors to students while waiting for the additional installments of grant funds to become available.

It was our conclusion, based on the experiences of charter school practitioners, that new schools must have immediate access to the full amount of awarded grant funds, budgeted

separately for planning and implementation costs to be expended within the required time limits, in order for those schools to meet the new, high-quality standards being imposed and to enable students to receive the full benefit of the approved instructional programs from the opening date of the school. Our grant management methodology is further explained in later sections of this application.

In summary, the implementation of state charter school authorization has effectively changed the responsibilities and approach of the NMPED, leading the department to reconsider and revise its relationship with charter schools based on a careful review of previous practices and their effects. As a result, the use of external agencies to accomplish certain informational and promotional activities, a decreased expectation of the number of new charter schools to be authorized during the grant period (based on recent experience as described above) and modifications in the state's CSP grant management practices are sometimes significantly different from the activities that were proposed in our 2006 grant application. In any event, it is our belief that the activities, objectives and uses of funds described below, based as they are on analysis of past practices and continuous improvement of our methodology, will meet and exceed the competitive requirements for this grant.

## COMPETITIVE PREFERENCE PRIORITIES

### *Competitive Preference Priority #1 – Secondary Schools*

*Projects that support activities and interventions aimed at improving the academic achievement of secondary school students who are at greatest risk of not meeting challenging state academic standards and not completing high school.*

New Mexico will meet this priority by:

1. Instituting a CSP grant process that gives competitive preference to charter schools whose programs focus on the instructional needs of secondary, at-risk students as described in their approved charters and CSP grant applications.

2. Providing incentive funding in the form of a larger grant amount to charter schools that focus on the instructional needs of secondary, at-risk students and that are selected for sub-grant awards.

3. Requiring new charter schools that focus on the instructional needs of secondary, at-risk students and that are selected for CSP awards to include improvements in student achievement as elements of their overall project objectives.

These strategies are described in detail below.

New Mexico has set the following objective as the means by which to measure its success in meeting this priority:

**Objective 1: To increase the academic achievement of secondary, at-risk students.**

**Objective 1.1 An average of two high-quality secondary, at-risk charter schools that offer programs designed specifically to increase the academic achievement of secondary, at-risk students will be authorized each year of the grant.**

A “secondary, at-risk charter school” is defined for the purpose of this program as a middle or high school that offers instructional activities and interventions that are specifically designed and aimed at improving the academic achievement of secondary, at-risk students, and those activities and interventions are an essential part of the school’s curriculum.

**Measure:** The annual combined number of high-quality secondary, at-risk schools authorized by the New Mexico Public Education Commission (PEC) and district authorizers.

**Source:** Charter School Division and External Evaluator review of 2009, 2010 and 2011 PEC and district school board minutes.

New Mexico law defines a secondary school as “a public school providing instruction or grades nine through twelve, unless there is a junior high school program approved by the state department, in which case it means a public school providing instruction for grades seven through twelve.” [22-1-3 NMSA 1978] The state does not currently have a definition of an “at-risk” student.”

For the purpose of the CSP grant program, NM will identify a secondary school student who is at greatest risk as:

A student eligible to enter the seventh through twelfth grades at the beginning of the school year, and is a student:

selected by lottery from a pool of applicants if necessary under state and federal law, and

who has previously dropped out of regular school attendance

Or

Whose standardized test scores on the New Mexico Standards Based Assessment (NMSBA) or other state-approved standardized tests indicate:

NMSBA: The student's Reading and/or Math scores do not meet the current state standards

Or

Other standardized test scores: the student is one year or more behind the NM Standards for Reading and/or Math functionality (e.g., for a ninth-grade student, reading and/or math achievement is at seventh grade, ninth month or lower).

1. Competitive Preference:

In addition to the CSP grant application requirements set forth in Section 5203 of NCLB, new charter schools that are authorized as schools designed to meet the needs of secondary, at-risk students (as defined above) will be required to describe the following:

A. The activities and interventions in the school program that will improve the academic achievement of secondary, at-risk students, which must include:

(1) The innovative and effective teaching methods that will be employed to increase the academic achievement of at-risk and/or academically challenged students that are based on research, best practices or successful replication and that include a focus on career and college readiness.

(2) How the school will provide individualized instructional designs and services in the core curriculum or through individual tutoring opportunities and that incorporate a focus on one or more of the state's designated career clusters.

(3) A core academic instructional program in which instruction is based on student academic achievement data at entry with challenging learning objectives

that are measured at regular intervals throughout the school year including assessment of career and college readiness, and which may also include:

(4) Other in-school, community or individualized programs that support the core academic program and that maintain student interest and participation in school attendance (e.g., extracurricular, service learning, arts programs, community organizations, etc.).

B. A proposed grant budget that assigns no less than 25% of the total amount requested to materials, equipment and services that specifically address the instructional needs of secondary, at-risk students.

## 2. Incentive Funding:

From the total amount of Planning and Implementation funds available to the state for each year of the grant, New Mexico will reserve 10% of that amount for use as additional incentive funding for new charter schools that meet the Competitive Preference qualifications indicated above.

Ninety-five percent of available Planning and Implementation funds for any grant year will be used for funding of all new charter schools that are awarded CSP grants. The amount reserved for incentive funding will be equally distributed to all new charter schools that focus on the instructional needs of secondary, at-risk students and that awarded grants through the state's competitive process. In the event that the number of funded charter schools is low, the state will impose a maximum award cap of \$800,000 per school with any remaining funds carried forward to the subsequent grant year. Please refer to the Request for Applications setting forth New Mexico's CSP grant application process in Appendix B for further details.

Thus, the grants to charter schools that focus on the instructional needs of secondary, at-risk students will exceed the grant amounts awarded to other new charter schools that do not have that focus. The state's intent is twofold: (1) to assure that charter schools meeting the secondary, at-risk criteria above will have sufficient resources to provide the materials, equipment and services necessary for at-risk students to achieve the required academic improvement goals; and (2) to encourage potential charter school developers to consider seeking authorization for more schools that have a secondary, at-risk program emphasis.

3. Improvements in secondary, at-risk student academic achievement:

New charter schools that are authorized as schools designed to meet the needs of secondary, at-risk students (as defined above) will be required to include the following project objectives in their CSP grant applications:

**Objective 1.2: At the end of the first year of operation, 90% of students at funded secondary, at-risk schools will:**

(A) Increase Proficiency (AYP) scores in reading and math on the NM SBA by 20% above their student scale scores prior to enrollment in the charter school, or

(B) Will increase their grade level proficiency on other standardized tests by at least one grade level above that at which the student enrolled in the charter school.

Measure: (A) NM SBA student reports or (B) beginning and end of year standardized test score results (state-required short-cycle assessments).

**Objective 1.3: At the end of the second year of operation, 90% of students at funded secondary, at-risk schools will:**

(A) Increase Proficiency scores in reading and math by 40% above their student scale scores prior to enrollment in the charter school, or

(B) Will increase their grade level proficiency on other standardized tests by at least two grade levels above that shown when the student enrolled in the charter school, or demonstrate proficiency for the age-appropriate grade.

Measure: (A) NM SBA student reports or (B) beginning and end of year standardized test score results (state-required short-cycle assessments).

As stated in the “Caveat” on page 12 of the Request For Applications (Appendix B) the NM PED reserves the right to terminate a grant award upon thirty (30) days notice if it is determined by the Department that the applicant:

- (1) Is not providing the funded programs specified in the approved project application;
- (2) Consistently fails to demonstrate student achievement;
- (3) Is no longer utilizing available funds for the stated purposes of the federal grant;
- (4) Has violated federal and/or state laws and regulations in the conduct of the grant; or
- (5) Has failed to demonstrate competent fiscal management of grant funds.

These required school objectives are also included in the state’s project objectives that are set forth in the Application Requirements section of this application.

*Competitive Preference Priority #2 – Periodic Review and Evaluation*

*Periodic Review and Evaluation. The State provides for periodic review and evaluation by the authorized public chartering agency of each charter school at least once every five years, unless required more frequently by State law, to determine whether the charter school is meeting the terms of the school's charter, and is meeting or exceeding the student academic achievement requirements and goals for charter schools as provided under State law or the school's charter.*

New Mexico fully meets this priority by virtue of existing state law and practice which requires that every charter school demonstrate that it has met the terms of the charter and meets or exceeds student academic standards in order to secure renewal of its charter every five years.

Under the New Mexico Charter Schools Act (Appendix A, Section 22-8B-12) a charter school is approved for an initial term of six years, the first of which must be used exclusively for planning. A charter may then be renewed for successive terms of five years each. No later than 270 days prior to the date of charter expiration, the school must submit a renewal application to the chartering authority, either a school district or the Public Education Commission. The charter renewal application must include, among other things:

1. A report on the progress of the charter school in achieving the goals, objectives, student performance standards, state minimum educational standards and other terms of the initial approved charter;
2. A financial statement disclosing the costs of administration, instruction and other spending categories;
3. Contents of the charter application;
4. A petition in support of the charter school signed by at least 75% of the households whose children attend the school;

5. A petition in support of the charter school signed by at least 75% of the school staff.
6. A description of the charter school facilities and assurances that the facilities are in compliance with legal requirements;

The authorizer may deny renewal of a charter if it is found that the school did any of the following:

1. Committed a material violation of any of the conditions, standards or procedures set forth in the charter;
2. Failed to meet or make substantial progress toward achievement of the department's minimum educational standards or student performance standards identified in the original charter.
3. Failed to meet generally accepted standards of fiscal management; or
4. Violated any provision of law from which the charter school was not specifically exempted.

If the charter renewal application is submitted to a local school district, the district's staff is required to review the application contents, collect any additional information deemed necessary to evaluate the charter school's progress, and to make a recommendation to the district school board. The school board then makes its own, independent decision on renewal or non-renewal.

If the charter renewal application is submitted to the Public Education Commission, the Charter Schools Division of the NMPED performs the application review and data collection functions, and the Assistant Secretary of Education for Charter Schools makes a recommendation to the Commission. The Commission makes its own decision in a public

meeting at which the charter school seeking renewal, as well as the public, may offer comments and support for the application.

A decision not to renew a charter may be appealed to the Secretary of Education or, if the Secretary upholds the denial, to the district court.

During the course of a charter schools five-year term, other requirements and practices allow for periodic review of a charter school's progress and compliance.

1. Every charter school must participate in an annual review of its budget, conducted by the NMPED School Budget Office, at which it must describe and justify the projected uses of state, federal, and other funds during the past and the upcoming fiscal year. This review takes into account both the legal requirements for school budgets as well as the uses of school funds to support the academic programs of the school. In cases where the school has an active Educational Plan For Student Success (EPSS; See Paragraph B below), the budget must clearly support all activities, materials and staffing needed to accomplish the EPSS. In the case of charter schools, this review provides an additional means by which to determine if the terms of the charter are being met as demonstrated by the use of school funds. For district authorized charter schools, the district's budget office must also review and approve charter school budgets.
2. The New Mexico Standards for Excellence regulations require every school, including charter schools, to develop and implement an Educational Plan for Student Success (EPSS) after three years of operation. The EPSS requires a school to declare its academic achievement objectives and the means by which those objectives will be accomplished. In the case of a New Mexico charter school, academic achievement objectives are already

included in the approved charter. Thus, a charter school's EPSS must reflect the terms of the approved charter.

EPSS plans are reviewed every year by the district or state authorizer and, as stated above, EPSS plans must be adequately funded in the school's budget. Because the EPSS objectives reflect the school's charter, the annual EPSS review also serves as a means to evaluate the charter school's compliance with the terms of its charter and its progress in achieving its stated student academic achievement requirements and goals.

3. Each authorizing district and the NMPED have the responsibility to insure that charter schools authorized, respectively, by the district school board or the Public Education Commission are meeting the terms of the school's charter by providing the programs and actively pursuing the objectives set forth in their approved charters.
4. In addition to the district's involvement in charter school budgets, EPSS plans, and renewals, it is the expectation of the state that every district will maintain regular contact with each of its locally-chartered schools and take prompt action to review and intervene whenever a charter school appears to be out of compliance with the terms of its charter or any other requirement of state law and regulation.
5. The NMPED, through the activities of the Charter Schools Division, provides regular monthly monitoring of new state-chartered schools during their planning year and annual monitoring of those schools after operations have begun. The planning-year monitoring culminates in a decision by the Public Education Commission to approve or deny permission to the school to begin full operations as a charter school on the date designated in the approved charter for the opening of the school. The Charter School

Division's processes for these planning year activities are offered to local districts as best practices to fulfill the responsibilities of a charter school authorizer.

The information given above demonstrates that New Mexico utilizes multiple means for periodic review and evaluation over any five-year period to determine whether a charter school is meeting the terms of the school's charter, and is meeting or exceeding the student academic achievement requirements and goals for charter schools as provided under state law or the school's charter. The charter renewal process, mandated by state law, requires the authorizer to conduct a complete review of a charter school's progress towards its stated academic achievement objectives, the quality of the school administration, continued parental and staff support, and adequacy of its facilities. The annual budget review, also a requirement of law, and the EPSS plan, a regulatory requirement and process, provide additional, regular evaluations of a charter school's management and progress. Finally, local school districts and the NMPED are tasked to conduct regular and as-needed evaluations of charter school operations. With these multiple approaches, New Mexico continues to insure compliance and excellence in its charter schools.

*Competitive Preference Priority 3 – Number of High-Quality Charter Schools*

*The state has demonstrated progress in increasing the number of high-quality charter schools that are held accountable in the terms of the schools' charters for meeting clear and measurable objectives for the educational progress of the students attending the schools, in the period prior to the period for which an SEA applies for a grant under this competition.*

New Mexico has demonstrated progress in increasing the number of high-quality charter schools in the period prior to the period for which the state is applying for a grant under the current competition.

Prior to July, 2007, all New Mexico charter schools were authorized only by local school districts. Beginning in 2007, the New Mexico Public Education Commission (NM PEC or the commission) was authorized by state law to approve applications for state-chartered charter schools. State-chartered charter schools are considered to be Local Education Agencies (LEAs) and are supervised directly by the New Mexico Public Education Department (NMPED).

In 2007, the Charter Schools Division (CSD) of the NM PED, acting in its required role as staff for the Commission in matters of charter school authorization, developed an extensive set of evaluation criteria that are used as the basis for its recommendations for approval or disapproval of an initial or renewal application by the Commission. These criteria are presented in Appendix D, Evaluation Criteria for Initial and renewal Charter Applications and Planning Checklist for Approval to Begin Operations) Please note, however, that the Commission has full authority to make its own decisions and is not bound by the recommendations of the CSD. In addition, the CSD created a set of requirements that each state-chartered school must meet in order to receive final Commission approval to begin operations in the school year following charter authorization. (Appendix D)

Both the evaluation criteria and the operational requirements were designed to insure a high level of quality among state-chartered schools and to delineate the expectations of the Commission and the Secretary of Education for charter school excellence. In response to the Spring, 2008 CSP Office Monitoring Report, conducted by WestEd, as well as to establish a consistent level of expectations for new and existing charter schools, these criteria have been used as the basis to create New Mexico's standards for high-quality charter schools listed below and reflect the state's actual practices for charter authorization. These standards are listed below:

**A New Mexico High-Quality Charter School:**

- 1. Has a mission for the school that focuses on improving student academic achievement, identifies a target student population, and states what the school hopes to accomplish.**
- 2. Follows an educational philosophy and an approach to instruction that includes research-based methods and approaches that support the mission, and that are likely to result in improved educational performance of students.**
- 3. Has a clear concept of the targeted district/community population, potential location, number of grades, effective class size, a growth plan and the total projected student enrollment of the proposed school.**
- 4. Provides a curriculum that addresses scope and sequence and sets student performance standards that are aligned with the school's mission, student needs, the New Mexico Content Standards with Benchmarks and Performance Standards, and that are specific, measurable, and time bound,**
- 5. Applies a plan for evaluating student performance that describes the types of assessments that will be used to measure student progress, complies with**

state and federal assessment requirements, includes a coherent strategy for taking corrective action, and shares student performance information with students and parents.

6. Demonstrates regular, documented progress in achieving the student academic objectives set forth in the approved charter.

7. Complies with all state and federal requirements for serving students with disabilities and the needs of English language learners, and provides access to other services including counseling and health.

8. Creates and maintains a realistic operating budget that complies with all state standards, is based on the state's current unit value, and provides for all necessary and required services.

9. Follows a detailed and responsible plan of fiscal management that includes adequate internal control procedures and provides for the annual audit.

10. Has hired or contracted with a licensed School Business Manager.

11. Has purchased and implemented the state-required accounting and student accountability software.

12. Employs a governance structure that includes an organizational chart, and clearly states the relationship of the governing body to the school's leader(s) and administration, the policies and procedures by which the governing body will operate, and the process that will be used to select the school's leader.

13. Adheres to the responsibilities, obligations and qualifications of the school's governing body as stated in the school's policies, including board member

**recruitment and selection and the involvement of staff, families, and the community in the governance of the school.**

**14. Has a trained governing body that has been approved as a Board of Finance.**

**15. Applies personnel policies and procedures that comply with all applicable federal statutes and regulations, the School Personnel Act, including a proposed salary schedule that complies with the minimum salary requirements, and provides a staff evaluation process.**

**16. Follows student enrollment procedures that comply with state and federal lottery requirements and employs a student discipline policy that complies with the Student Rights and Responsibilities set forth in the Public Education Department rules and regulations.**

**17. Acquires and maintains a school facility that is adequate for student enrollment, supports the instructional program and complies with all state requirements for educational facilities.**

**18. Meets the transportation and food service needs of its students as required by state law and the terms of the school's charter.**

**19. Participates in coverage by the New Mexico Public School Insurance Authority and complies with all applicable rules of that authority.**

**20. Requests allowable waivers from the Department's requirements, rules, and the provisions of the Public School Code, as necessary to accomplish the stated purposes of the charter.**

State law requires local school districts to adopt these standards as the basis for charter school authorization.

During the prior project period, New Mexico has seen a growing trend among charter school developers to seek authorization by the NM PEC in order to achieve LEA status and thereby to operate with greater independence than would be available as a locally-chartered school. However, with the greater independence that comes with LEA status, the applications and operations of these new state-chartered schools have been subject to greater scrutiny and higher standards of quality in design and operation than have previously been required by local districts. As a result, locally-chartered schools may not have been held to the same high quality standards as state-chartered schools during the prior project period, but all state-chartered schools have been required to meet these standards.

In the first year of the prior project period (August 1, 2006 to July 31, 2007), four new locally-authorized charter schools were approved. These were not subject to the high-quality criteria subsequently developed by the CSD, however their charter applications were reviewed by CSD staff and their CSP grant applications reflected that their programs and organization met many of the criteria that have now become elements of the high-quality charter school standards listed above. Also, all of these schools received compliance reviews as part of New Mexico's CSP grant management practice in the Spring of 2008. (See Appendix C, New Mexico PCSP Procedures for On-Site Compliance Monitoring) These visits revealed that most of the high-quality criteria were, in fact, in place at those funded schools and no substantive concerns were noted that were not remedied in a reasonable time.

In the second year of the prior project period (August 1, 2007 to July 31, 2008), two state-chartered charter schools and two locally-authorized charter schools were approved. The

state-chartered schools met all of the high-quality standards. The locally-chartered schools have not yet received CSP compliance reviews to assess the degree to which they meet the high-quality standards.

In the third year of the prior project period (August 1, 2008 to July 31, 2009), six state-chartered charter schools and one locally-authorized charter school were approved. Of the six state-chartered schools, five met all of the high-quality standards applicable to applications and will be evaluated on requirements for opening by June, 2009. One state-chartered school was exempted from certain state requirements by the legislature and is not eligible for CSP funding and will not be subject to CSP compliance monitoring. The single locally-authorized charter school was not subject to the high-quality standards but will be subject to the CSP compliance monitoring process due their receipt of a CSP sub-grant.

In summary, as a part of its new responsibilities in state charter school authorizing, New Mexico has developed a set of high-quality charter school standards that are derived directly from the evaluation criteria (Appendix D) that are applied to state charter applications and the requirements for final permission to open for classes. As New Mexico began state charter authorization, these criteria were applied to all state-chartered schools. In year one of the prior project period, when only locally chartered schools were allowed by state law, the four new locally chartered schools were not subject to initial evaluation based on these standards but were subsequently found to meet most of those standards when they received a CSP grant compliance review.

In year two of the prior project period, the two state-chartered schools met the high-quality standards for approval and school opening and evaluation of the two locally-chartered schools is pending. In year three of the prior project period, five of the six new state-chartered

schools (due to the legislative exemption above) met the high-quality standards required at time of authorization and will be evaluated for full compliance with the standards prior to opening for classes. The single locally chartered school will be evaluated as part of the CSP compliance review process.

Thus, New Mexico can demonstrate an increase in high-quality charter schools during the prior project period due to the application of high-quality criteria that are integral to the state authorization process and, based on successful practice, have led to the establishment of high-quality charter school standards. These standards will be applied to new charter schools created during the project period for which this application is being submitted.

*Competitive Preference Priority #4 – One Authorized Public Chartering Agency Other than a Local Educational Agency (LEA), or an Appeals Process. The State*

- a. Provides for one authorized public chartering agency that is not an LEA, such as a State chartering board, for each individual or entity seeking to operate a charter school pursuant to State law; or*
- b. In the case of a State in which LEAs are the only authorized public chartering agencies, allows for an appeals process for the denial of an application for a charter school.*

As mentioned in the Introduction, the 2006 New Mexico legislature enacted an amendment to the 1999 Charter Schools Act (Appendix A, Section 22-8B-16) that established the New Mexico Public Education Commission as the state's only non-LEA authorizing body. The Commission members constitute an elected or governor-appointed advisory body to the Secretary of Education, and each represents a specific area of the state. The Commission is authorized to act independently with regard to both initial charter school authorization and charter renewal.

Charter school developers have the option to apply for a charter either to the local school district in which the charter school will be located or to the Commission for a state charter. A developer may not apply to both authorizing bodies for a charter for the same school at the same time. If the charter application is rejected by either type of authorizer, the developer may not apply to the other body during the same calendar year.

Existing charter schools may apply for renewal to either the school district that initially authorized the charter or change authorizers by applying to the Commission for renewal. If the renewal application is rejected by the selected authorizer, the school may not apply for renewal

from another authorizing body, and the charter terminates at the end of the last school year of the existing charter.

As part of New Mexico's efforts to insure the authorization of high-quality charter schools, all developers who declare their intent to apply for a charter, whether from the Commission or a local school district, are offered technical assistance in the preparation of their initial and renewal charter applications through a series of Prospective Applicant workshops provided by the Charter Schools Division of the NMPED. These workshops are held monthly from January through May prior to the date that applications are due.

New Mexico law (Appendix A, Section 22-8B-7) also provides for an appeal process for the denial of an application for a charter school. If an initial or renewal charter is denied by either the local district or the Commission, the developer may appeal the denial to the New Mexico Secretary of Education. If this occurs, the Secretary makes an independent assessment of the decision and, at a public hearing, issues a ruling that either concurs with the authorizer's decision or reverses the decision of the chartering authority and orders the approval of the charter, with or without conditions. The Secretary may reverse the decision of the chartering authority if he or she finds that the decision was arbitrary and capricious, was not supported by substantial evidence, or that the chartering authority did not act in accordance with law. If the Secretary upholds the denial, the charter school developers may appeal to the district court.

*Competitive Preference Priority #5 – High Degree of Autonomy*

*The state insures that each charter school has a high degree of autonomy over the charter school's budget and expenditures.*

New Mexico Law (Appendix A, Section 22-8B-4) provides for a charter school's rights and responsibilities, and allows a high degree of autonomy to a charter school in issues of school budget and expenditures.

A New Mexico charter school is governed by a governing body that acts within the terms set forth in the school's charter and which has the overall responsibility for school operations. The school, under the supervision and with the approval of the governing body, prepares its own budget within the parameters set forth by the NM PED for all schools and school districts. A charter school receives its own annual audit, and is responsible for issuing its own contracts for services and for its own personnel matters. (Appendix A, Section 22-8B-4 B)

Charter school employees are hired, evaluated and compensated by the school, and are not subject to the hiring or local union requirements of a school district. The provisions of the School Personnel Act, 22-10A-1 NMSA 1978, apply to such employees. The charter school may determine its own salary schedule for employees, so long as all salaries meet the minimum amounts set forth in state law. New Mexico employs a "three-tiered licensure system" which mandates certain minimum salaries for teachers based on their licensure level and for administrators based on licensure and level of assignment. A charter school may not provide compensation for these employees that is less than the required amounts, but may provide a higher rate of compensation, within the limits of its budget, if so determined by the governing body.

A New Mexico charter school has the freedom to contract with a wide range of potential sources – state institutions, state and federal entities, “or any other third party” - for the use of a facility, operation and maintenance services, or to provide “any service or activity that the charter school is required to perform in order to carry out the educational program described in its charter.” (Appendix A, Section 22-8B-4 D)

A locally-chartered school may pay its own facility costs or may contract with the local school district for facility operation and maintenance. (Appendix A, Section 22-8B-4 G)

A charter school may acquire and dispose of property. (Appendix A, Section 22-8B-4 M)

The governing body of a charter school may accept or reject any gift, grant, devise or bequest. (Appendix A, Section 22-8B-4 O)

A charter school may contract with a school district or other party for financial management, food services, transportation, facilities, education-related services or other services, but not with a for-profit entity for school management. (Appendix A, Section 22-8B-4 R)

The governing body of a charter school may contract and sue and be sued. A local school board is not liable for any acts or omissions of the charter school (Appendix A, Section 22-8B-4 P).

## APPLICATION REQUIREMENTS

*1. Describe the objectives of the SEA's charter school grant program and describe how these objectives will be fulfilled, including steps taken by the SEA to inform teachers, parents and communities of the SEA's charter school Grant Program.*

The objectives of the New Mexico Charter Schools Grant Program, as described in previous sections of this application, are presented in full below.

**Objective 1: To increase the academic achievement of secondary, at-risk students.**

(Competitive Preference Priority #1 – Secondary Schools)

**Objective 1.1 An average of two high-quality charter schools that offer secondary programs designed specifically to increase the academic achievement of secondary, at-risk students will be authorized each year of the grant.**

A “secondary, at-risk charter school” is defined for the purpose of this program as a middle or high school that offers instructional activities and interventions that are specifically designed and aimed at improving the academic achievement of secondary, at-risk students, and those activities and interventions are an essential part of the school’s curriculum. For complete details, please see the information given under Competitive Preference #1 in that section of this application.

**Measure:** The annual combined number of high-quality secondary, at-risk schools authorized by the New Mexico Public Education Commission (PEC) and district authorizers.

**Source:** Charter Schools Division and External Evaluator review of 2009, 2010 and 2011 PEC and district school board minutes.

**Objective 1.2: At the end of the first year of operation, 90% of students at funded secondary, at-risk schools will:**

- A. Increase Proficiency scores in reading and math by 20% above their student scale scores prior to enrollment in the charter school, or
- B. Will increase their grade level proficiency on other standardized tests by at least one grade level above that at which the student enrolled in the charter school.
- C. Measure: (A) NM SBA student reports or (B) beginning and end of year standardized test score results (state-required short-cycle assessments).

**Objective 1.3: At the end of the second year of operation, 90% of students at funded secondary, at-risk schools will:**

- A. Increase Proficiency scores in reading and math by 40% above their student scale scores prior to enrollment in the charter school, or
- B. Will increase their grade level proficiency on other standardized tests by at least two grade levels above that shown when the student enrolled in the charter school, or demonstrate proficiency for the age-appropriate grade.

**Measure:** (A) NM SBA student reports or (B) beginning and end of year standardized test score results (state-required short-cycle assessments).

**Method:** New Mexico will accomplish this objective by including a similar “Competitive Preference Priority” in its CSP sub-grant application process. Charter school developers who submit charter applications to establish schools or programs within schools that focus in the instructional needs of at-risk students will receive additional points in the evaluation of their sub-grant applications. In addition, all sub-grant applicants will be required to include these student achievement objectives in their applications and will be evaluated based, among other elements, on the accomplishment of these objectives. (See the Scoring Criteria on p. 9 and Section 13 of

the New Mexico Charter Schools Program Federal Planning and Implementation Grant Application contained in the Request for Applications, Appendix B)

Also, New Mexico will reserve 10% of its annual CSP sub-grant funds as an additional incentive amount to be awarded as part of the sub-grants to schools that focus on “at-risk” students or offer programs to meet the instructional needs of those students.

The purpose of the priority scoring and the additional grant funds is to provide incentives that will encourage developers to establish more charter schools or programs that focus on the instructional needs of at-risk students. These elements are described in the section of this application that addresses Competitive Preference #1 and the example of the distribution of incentive funds in the Budget Narrative. Also, please refer to the information on the CSP sub-grant application and evaluation process contained in the section on Selection Criterion #4 – Management Plan

**Objective 2: To increase the academic achievement of state academic standards for all charter school students.**

(Selection Criterion #1 – Achievement of State Standards)

**Objective 2.1 Charter schools receiving CSP funding will implement instructional programs that result in measurable student academic achievement.**

**Objective 2.11 By the end of their first year of operation, charter schools that receive CSP sub-grants will demonstrate the use of grant funds for the implementation of all the instructional programs specifically indicated in their approved charters or subsequently developed curricula appropriate to the student grade levels being served.**

**Measure:** At least 50% of awarded grant funds will be applied to the purchase of items and services that directly provide for or support the instructional programs in the school's approved charter and/or subsequently developed curricula as indicated in the school's approved grant budget, which may also include items and services related to the state's career clusters.

**Source:** Comparison by the Charter Schools Division and the external evaluator of the instructional programs in the school's approved charter with the programs actually in operation at the school; review of NMPED records of charter school grant payment requests and records of NMPED on-site compliance monitoring by the external evaluator; site visits to funded schools by the external evaluator.

**Objective 2.12 By the end of their second year of operation, charter schools that receive CSP sub-grants will demonstrate increased student achievement.**

**Measure #1:** Eighty-five percent of students at the funded charter school will achieve Proficiency scores that indicate proficiency in reading.

**Measure #2:** Eighty-five percent of students at the funded charter school will achieve scores that indicate proficiency in math as measured by the New Mexico Standards-Based Assessment (NM SBA).

**Source:** Review of Annual NM SBA student reports by the external authorizer.

**OR**

**Measure #1:** Individual reading scores for eighty-five percent of all students enrolled at the end of the school's second year of operation and who were enrolled for at least two years will indicate reading skills at or above the level of the grade just completed.

**Measure #2:** Individual math scores for eighty-five percent of all students enrolled at the end of the school's second year of operation and who were enrolled for at least two years will indicate math skills at or above the level of the grade just completed.

**Source:** Review and verification of school's records of short-cycle assessment data by the external evaluator.

(NOTE: This alternative measure of student achievement will be required of charter schools that offer grade levels that do not require administration of the NMSBA and resulting AYP computation during the first or second year of operation.)

**Method:** New Mexico will accomplish this objective by requiring CSP sub-grant applicants to include sufficient funding in their proposed grant budgets to implement the approved instructional programs and by holding sub-grantees accountable for their expenditures of sub-grant funds for those purposes. Also, schools will be held accountable for student academic achievement as demonstrated by one of two methods: increased proficiency scores or increased standardized test scores as shown on state-mandated short-cycle assessments. NMPED reserves the right to suspend, withhold or terminate sub-grant funds if the stated purposes of the charter or grant application are not being met. Also, please refer to the section of this application that addresses Selection Criterion #1 (p. 13) for further information on New Mexico's rationale and expectations for student achievement.

**Objective 3: To increase the number of high-quality charter schools in New Mexico.**

(Selection Criterion #3 – The number of high-quality charter schools to be created in the state)

**Objective 3.1:** An average of eight new high-quality charter schools per year will be authorized during the term of the 2009-2012 CSP Grant.

**Measure:** By July 1, 2012, the total number of new charter schools that will have been authorized by the Public Education Commission and local school districts will be no less than 24.

**Source:** Review of the Minutes of New Mexico Public Education Commission charter authorization meetings (held in September) and minutes of local school board meetings at which new locally-chartered school are authorized by the external evaluator.

**Objective 3.2:** The Charter Schools Division (CSD) of the NMPED, in collaboration with the New Mexico Coalition for Charter Schools, will provide Prospective Applicant Training and technical assistance for potential charter school developers annually.

**Measure:** The Division and the Coalition will provide no less than 5 Prospective Applicant training sessions between January 1 and May 30 of each year of the CSP Grant.

**Source:** Charter School Division and Coalition records of training agendas and records of prospective applicant attendance.

**Objective 3.3:** The number of new charter applications will increase.

**Measure:** an average of 15 new charter applications per year will be received by the Commission and local districts for consideration during the term of the 2009-2012 CSP Grant.

**Source:** Review of NMPED and district reports of charter application submissions by the Charter Schools Division and the external evaluator.

**Method:** New Mexico will accomplish this objective by providing, in collaboration with the New Mexico Coalition for Charter Schools, monthly training in the requirements of charter schools applications for all developers who wish to attend. In this way, more developers will have the opportunity to learn to create applications that meet the

requirements of state law and the NMPED and therefore are better prepared to meet the high-quality standards that are now applied to the evaluation of state charter applications.

It is our belief that the institution of this training over the past two years is a major factor in increasing the number of new, high-quality charter schools approved by the Public Education Commission from two in its first year of charter authorization to six in its second year and that the number of high-quality charter schools authorized each year will continue to increase as a result of this training. Please refer to Selection Criterion #3 – The number of high-quality charter schools to be created in the state – for further information.

The NMPED will inform teachers, parents, and communities of the opportunity to establish charter schools and of the Department's CSP grant program via numerous methods. The NMPED web site will contain information on charter school opportunities and include the potential availability of federal funds to meet initial planning, program design and implementation needs. Press releases by the NMPED Public Information Office will contain, as part of the announcement regarding Letter of Intent and Application opportunities, a notice of the availability of federal CSP funds. Charter Schools Division staff will be available on request to make presentations to any school or community group that desires to receive information on charter schools and grant information will be included in any such presentations. Also, we provide and will continue to provide extensive information on charter school application and funding opportunities to the New Mexico Coalition of Charter Schools for its use in promotional events and activities throughout the state. These activities have already been part of the NMPED and Charter School Division's efforts for several years and we will assert that the receipt of over 30 Letters of Intent to Establish a Charter School from a wide range of potential developers over

the last two years indicates that information on charter schools and funding opportunities is being effectively distributed throughout the state.

We also wish to mention a significant effort in charter school promotion that has been and will continue to take place. Since the fall of 2007, the Charter Schools Division has been engaged in activities designed to: a) provide information on charter schools and educational options for Native American communities; and b) provide examples of native communities who have established charter schools as viable educational options for their youth. These activities have been initiated specifically because of a grant from the National Governors Association (NGA) Center for Best Practices in the spring of 2007. One of the primary goals of the NGA grant is to create high-quality charter schools in traditionally underserved communities in the state. The CSD has met with the New Mexico Indian Education Advisory Council (IEAC), tribal and pueblo departments of education, the Bureau of Indian Education (BIE) Schools, as well as current operating charter schools that exist on tribal land and who serve Native American students. These meetings have allowed the CSD to present information regarding the initial charter school application process, to provide resources for groups and individuals seeking more information about specific charter schools in the State currently serving native students, and to identify the challenges associated with creating full-autonomy for the schools in those communities. Ultimately, the work done with the support of the NGA grant is designed to help native communities, who have traditionally shown some of the lowest student achievement data, take control of the educational options available within their communities and use charter schools as a vehicle to achieve the state academic content standards.

*2. Describe how the SEA will inform each charter school in the state about federal funds the charter school is eligible to receive and Federal programs in which the charter school may participate.*

The initial and primary means by which charter schools will be informed of their potential eligibility for federal funds and programs are the Prospective Applicant training provided by the Charter Schools Division in collaboration with the New Mexico Coalition for Charter Schools and the Planning Year training provided to recently authorized charter schools by the Division. These trainings include presentations by NMPED staff, such as those responsible for the administration of the “Title” programs of NCLB, Special Education staff who administer the IDEA program, Career and Technical Education staff who administer the Carl D. Perkins grant, and other NMPED staff who serve similar functions within the Department. Also, the NMPED staffs of those bureaus are available to assist new charter school operators with the application process for their programs at any time.

Each charter school is assigned an NMPED Budget Analyst who is also aware of federal funding opportunities for charter schools. These analysts will review each charter school’s budget and advise them of any available funding opportunities that, if the school is eligible, might enhance the school’s financial situation.

Representatives from the various NMPED bureaus that administer federal programs will also present information at the annual Spring Budget Workshop at which most or all of the state’s charter school operators attend. This annual opportunity to receive federal funding information also plays an important part in insuring that New Mexico charter schools are able to take advantage of all available federal programs.

Each Charter Schools Division Education Administrator is assigned to be a first-line contact with a group of charter schools and is tasked with maintaining communications with each school to insure, among other things, that the charter school operators are receiving information sent out by the various NMPED divisions and bureaus, including information about federal funding opportunities.

Lastly, the NMPED Public Information Office issues e-mail bulletins to all school districts and charter schools when notice of a federal funding opportunity is received from the federal government. The NMPED maintains a web site on which these announcements are posted and archived, making them accessible to any Internet user.

*3. Describe how the SEA will ensure that each charter school in the state receives the school's commensurate share of federal education funds that are allocated by formula each year, including during the first year of operation of the school and a year in which the school's enrollment expands significantly.*

In addition to the information processes described in #2 above, the NMPED will regularly monitor the budgets of charter schools and school districts, as per established procedure, beginning with the creation of the initial budget for a new charter school following initial authorization and the annual budget for the next fiscal year that is prepared in June. During the course of the year, every charter school and school district must report and receive permission for any changes in their approved budget. Also, established district and charter school budgets are reviewed during the payment process of any claim for federal grant funds.

Thus, there are numerous opportunities for NMPED Budget and Fiscal staff to note any problems in the distribution of federal funds, both those that are issued directly to the school by the NMPED and those that are issued to the school by the authorizing district as part of the district's award of funds, e.g., the school's share of IDEA or Title I funds.

This close monitoring of charter school and school district budgets allows the NMPED to maintain continuous oversight of state and federal funds and provides the Department with the opportunity to take immediate action when it appears that a charter school is not receiving its commensurate share of federal funding.

As an additional measure, Consolidated Applications for federal funds are examined to insure that districts have included eligible charter schools in the funding formula. If a potentially eligible charter school is omitted, the application is returned to the district for revision and resubmission. School districts are notified by the applicable Division or Bureau staff that they

must fund their charter schools at the same level as that which they provide for the other schools in their district.

4. *Describe how the SEA will disseminate best or promising practices of charter schools to each LEA in the state.*

The Charter Schools Division of the NMPED will work in close collaboration with the New Mexico Coalition for Charter Schools by combining information, contacts and opportunities to disseminate best practice information. The annual Conference of the Coalition provides a regular opportunity to spotlight successful practices. The Coalition works closely with the NMPED to provide a consistent message to school district LEAs and to state legislators about the purpose of charter schools and how they can be used as research sites for developing best practices.

The annual conference of the New Mexico Coalition of School Administrators provides an opportunity for the NMPED to share best practices with all of the school district LEAs as this conference is regularly attended by the majority of district superintendents and their staffs. The Charter Schools Division will use this opportunity to share both authorization practices and successful school-based practices with LEA leaders.

The NMPED maintains a public web site which includes a section for the Charter Schools Division which was recently revised. The Division will include information both on authorization best practices and school-based best practices so that these will be available to LEAs and the general public as needed.

5. *Revolving Loan Fund*

New Mexico does not choose to establish a revolving loan fund.

6. *Waivers*

New Mexico does not desire the Secretary to consider any waivers under the authority of the CSP.

7. *Describe how charter schools that are considered to be LEAs under state law and LEAs in which charter schools are located will comply with sections 613(a)(5) and 63(e)(1)(B) of the Individuals with Disabilities Education Act.*

Under current law, New Mexico charter schools that have been authorized by a local school district are considered part of the LEA, and report to the LEA for oversight and jurisdiction for exceptional education issues regarding funding. The IDEA establishes a framework in which charter schools are primarily responsible for serving students with disabilities and school districts are ultimately responsible for ensuring that those students are adequately served. The New Mexico Charter Schools Act provides that state and federal funds generated by students with disabilities and exceptionalities receiving special education will follow those students to charter schools. Through the budget approval process the NMPED ensures that enough funds are available to meet each school's needs for special education and related services prior to the charter school's budget being approved. All charter schools must provide appropriate special education services to meet the needs of each qualified special education student that attends the charter school. The school can either provide services to students with disabilities through their own staff or through outside contracts for services. A locally-chartered school can only ask for the sponsoring district to provide additional services if the charter school has exhausted its state and federal special education funds and budgeted

emergency reserves. In those cases, then, the district becomes involved in the student's determination of eligibility and the development of the student's IEP

A state-chartered school is considered to be its own LEA. These schools must meet the same legal requirements for IDEA programs and funding like other LEAs in the state when making eligibility determinations and allocating funds. The management of IDEA funding for state-chartered schools is supervised by the NMPED much in the same manner as a local school district might supervise IDEA in its charter schools.

## SELECTION CRITERIA

*Selection Criterion #1 The contribution the charter schools grant will make in assisting educationally disadvantaged and other students to achieve state academic content standards and state student academic achievement standards.*

*Note: The Secretary encourages applicants to provide a description of objectives for the SEA's charter school grant program and how these objectives will be fulfilled including steps taken by the SEA to inform teachers, parents and communities of the SEA's charter school grant program and how the SEA will disseminate best or promising practices of charter schools to each LEA in the State.*

The New Mexico Charter Schools Act provides parents, students, and community members with an additional educational opportunity within the existing public school system to assist educationally disadvantaged and other students to achieve state academic content standards and state student academic achievement standards. The New Mexico Charter School Grant Program serves as a primary means by which to achieve the aims of the New Mexico Charter Schools Act by supporting the development of schools that address innovative methods and strategies for assessing and improving student achievement. The Act states:

“The 1999 Charter Schools Act is enacted to enable individual schools to restructure their educational curriculum to encourage the use of different and innovative teaching methods that are based on reliable research and effective practices or have been successfully replicated in school with diverse characteristics; to allow the development of different and innovative forms of measuring student learning and achievement; to address the needs of all students, including those determined to be at risk ... to improve student achievement; to provide parents and students with an educational alternative to create new, innovative and

more flexible ways of educating children... and to hold charter schools accountable for meeting the department's educational standards...." (Appendix A, Section 22-8B-3)

Charter schools provide individual attention to students and allow for increased involvement of parents and community in the education of children. These are essential elements of New Mexico's charter school law that assure attainment of high student academic achievement, particularly for students with diverse learning needs. The interrelated state policies and programs work together to provide a positive climate to assist all students, including those determined to be educationally disadvantaged. The New Mexico Charter School Grant Program carries out the intent of the New Mexico Charter School Act by funding schools that address innovative methods and strategies for assessing and improving student achievement for all students as shown in the charter applications that meet New Mexico's Standards for High-Quality Charter Schools. (See Competitive Preference Priority #3, pp. 17-19)

New Mexico's Standards for Excellence regulations set out the state's student achievement expectations for all schools, including charter schools. In addition to establishing the State's content standards, benchmarks and performance standards, the following elements are required:

1. Local boards of education, charter schools and school communities must challenge all students to reach their potential.
2. Individual differences in interests, abilities, and aspirations must be recognized.
3. Students must be provided equal educational opportunities to develop and utilize their unique talents and abilities, to accept challenges, to respect themselves and others, and to develop skills necessary to work individually and cooperatively.

4. Schools must support the use of the student's primary or home language for teaching and learning while the student acquires proficiency in English.

The New Mexico Charter School Grant Program is designed to provide necessary and adequate funding to new charter schools so that they are prepared to provide all programs and services in the approved charter from the opening day of school. As a part of the charter school application, every applicant for a charter must include:

- A description of the charter school's educational program, student performance standards and curriculum that must meet or exceed the department's educational standards and must be designed to enable each student to achieve those standards; and
- A description of the way the charter school's educational program will meet the individual needs of the students, including those students determined to be at-risk. (New Mexico Charter Schools Act, Appendix A, Section 22-8B-8, C and D)

In the New Mexico Charter School Grant Program application (Appendix B, Request For Applications), a charter school must describe how the requested funding will support the educational program in the school's approved charter, including how the program will meet the educational needs of low income and at-risk students. The uses of funds stated in the application must match the funding indicated in the proposed grant budget. Actual uses of grant funds over the term of the grant are monitored by Charter Schools Division personnel to determine continuing compliance with the purposes of the grant and support for the school's approved educational programs. Any variance in the use of grant funds from the stated purposes of the school or support of approved programs requires a justification by the school and approval by the Charter Schools Division. Grant funds are not provided for unapproved changes in the grant budget.

In this way, New Mexico employs a “top-to-bottom” process to insure that grant funds are used to provide programs that assist students, including educationally disadvantaged students, to achieve state academic content standards and state student academic achievement standards. The provisions of state law regarding educational programs and student achievement are incorporated into the requirements for charter applications and into the Charter School Grant Program applications and budgets. The use of grant funds by the schools to support the approved programs is monitored by Division staff and only activities that support the approved programs are allowed.

New Mexico’s policy of providing necessary and adequate funding to new charter schools so that they are prepared to provide all programs and services in the approved charter from the opening day of school stems from the NM Charter Schools Act requirement that an approved charter school has one year to both plan and implement the new school. It is the expectation in the law that on the first day the new charter school opens its doors to students, the school is prepared to implement a high quality educational program. This legal requirement and expectation has caused the NMPED and the CSD to review and reconsider its CSP grant management and funding practices.

In order to determine the extent to which New Mexico’s recent sub-grantees have used CSP grant funds to assist educationally disadvantaged and other students to achieve state academic content standards and state student academic achievement standards, the Charter Schools Division conducted a summary review of expenditures reported by currently funded schools. It was found that charter schools that were provided access to the full amount of awarded funds during the first two years of the current CSP grant have already used 60% of

those funds to purchase materials and equipment that could be identified as directly supporting the instructional program of the school.

When one considers the typically large costs of other charter school start-up expenses for items such as furniture, lease and principal salary as allowed, professional development, technology, administrative costs, etc., we find it highly commendable that our new schools have dedicated so large a portion of their grant funds to insure that the instructional programs for students are fully provided as soon as possible.

New Mexico recognizes that charter school students can achieve greater academic gains than students in traditional schools when those charter schools have the opportunity to fully implement their instructional programs. New Mexico has adopted a grant award practice that provides immediate access to all awarded funds so that schools may proceed expeditiously to fully implement their academic programs. In consideration of the evidence that indicates that significant percentages of grant funds have been used by most of our new charter schools for direct instructional purposes, New Mexico's next step is to insure that grant funds are utilized with implementation of the instructional program as the first priority.

Accordingly, New Mexico will implement two additional requirements for its sub-grantees.

First, NMPED will require proposed grant budgets in which no less than 50% of the funding proposed in those budgets shall directly provide for or support the instructional programs in the school's approved charter. Second, sub-grantees will include in their budgets and grant applications funding for and implementation of standardized short-cycle assessments that will be used to regularly evaluate student academic achievement and be available for review by NMPED and school staff, parents and the public. Proposed grant budgets submitted without

these items will receive lesser scores and, if a grant is awarded, those sub-grantees will be required to revise their budgets to meet these requirements. We believe that these new requirements will provide a clear and unmistakable focus for all charter school developers on the need for academic achievement as a priority for charter schools.

New Mexico will establish Objectives that reflect this priority and which allow for measurement and evaluation of student achievement at funded charter schools:

**Objective 2: To increase the academic achievement of state academic standards for all charter school students.**

(Selection Criterion #1 – Achievement of State Standards)

**Objective 2.1 Charter schools receiving CSP funding will implement instructional programs that result in measurable student academic achievement.**

**Objective 2.11 By the end of their first year of operation, charter schools that receive CSP sub-grants will demonstrate the use of grant funds for the implementation of all the instructional programs specifically indicated in their approved charters or subsequently developed curricula appropriate to the student grade levels being served.**

**Measure:** At least 50% of awarded grant funds will be applied to the purchase of items and services that directly provide for or support the instructional programs in the school's approved charter and/or subsequently developed curricula as indicated in the school's approved grant budget.\*\*

**Source:** Comparison by the Charter Schools Division and the external evaluator of the instructional programs in the school's approved charter compared with the programs actually in operation at the school; review of NMPED records of charter school grant

payment requests and records of NMPED on-site compliance monitoring by the external evaluator; site visits to funded schools by the external evaluator.

**Objective 2.12 By the end of their second year of operation, charter schools that receive CSP sub-grants will demonstrate increased student achievement.**

**Measure #1:** Eighty-five percent of students at the funded charter school will achieve scores that indicate proficiency in reading.

**Measure #2:** Eighty-five percent of students at the funded charter school will achieve scores that indicate proficiency in math as measured by the New Mexico Standards-Based Assessment (NMSBA).

**Source:** Review of Annual NM SBA student reports by the external authorizer.

**OR**

**Measure #1:** Individual reading scores for eighty-five percent of all students enrolled at the end of the school's second year of operation and who were enrolled for at least two years will indicate reading skills at or above the level of the grade just completed.

**Measure #2:** Individual math scores for eighty-five percent of all students enrolled at the end of the school's second year of operation and who were enrolled for at least two years will indicate math skills at or above the level of the grade just completed.

**Source:** Review and verification of school's records of short-cycle assessment data by the external evaluator.

(NOTE: This alternative measure of student achievement will be required of charter schools that offer grade levels that do not require administration of the NMSBA and resulting AYP computation during the first or second year of operation. Also, Objectives 2.11 and 2.12 are intended for schools other than the secondary, at-risk schools discussed in Competitive

Preference Priority #1. A different set of Student Performance Objectives are provided for those schools.)

As stated in the “Caveat” on page 12 of the Request For Applications (Appendix B, p. 13) the NM PED reserves the right to terminate a grant award upon thirty days notice if it is determined by the Department that the applicant:

- 1 Is not providing the funded programs specified in the approved project application;
- 2 Consistently fails to demonstrate student achievement;
- 3 Is no longer utilizing available funds for the stated purposes of the federal grant;
- 4 Has violated federal and/or state laws and regulations in the conduct of the grant; or
- 5 Has failed to demonstrate competent fiscal management of grant funds.

The student achievement objectives described above will also be incorporated into the NMPED’s Compliance Standards for state-chartered schools. In this way, these grant objectives do not stand alone but become part and parcel of our regular and continuing evaluation of state-chartered schools. Thus these objectives can be expected to outlive the term of the grant and provide a standard measurement of charter school success and quality. These objectives will also be applied to locally-chartered schools that are awarded CSP grant funds in order to set those schools off “on the right foot.” The NMPED will recommend these objectives to district authorizers as a “best practice” and report on the success of state-chartered schools meeting these measures of success.

New Mexico believes that this clear and required connection between student achievement and a new charter school’s opportunity to receive planning and implementation funding will result in the thorough planning and immediate deployment of effective instructional

practices in order to meet the objectives stated above. These new practices will, as a part of the state's overall strategy, enable New Mexico Charter schools to move to a new level beyond the stage of simply expanding the charter school movement by increasing the number of charter schools in the state. Combined with New Mexico's Student Achievement Objectives for secondary, at-risk charter schools (Competitive Preference Priority #1, pp. 10-11) and the new Standards for High-Quality Charter Schools (Competitive Preference Priority #3, pp. 17-19), these requirements and objectives for student achievement will establish New Mexico's charter schools as viable and reliable agencies of school reform and accountability that will serve as models for every public school in the state.

For information on the steps to be taken by New Mexico to inform teachers, parents and communities of the SEA's charter school grant program, please see Application Requirements, Section 1 – Objectives of the Grant Program. For information on the steps to be taken by New Mexico to disseminate best or promising practices of charter schools to each LEA in the State please see Application Requirements, Section 4.

*Selection Criterion #2 – Degree of Flexibility*

*The degree of flexibility afforded by the SEA to charter schools under the state’s charter school law.*

*The Secretary encourages the applicant to include a description of how the state’s law establishes an administrative relationship between the charter school and the authorized public chartering agency and exempts charter schools from significant state or local rules that inhibit the flexible operation and management of public schools.*

*The Secretary also encourages the applicant to include a description of the degree of autonomy charter schools have achieved over such matters as the charter school’s budget, expenditures, daily operation, and personnel in accordance with their state’s law.*

Since the initial passage of the New Mexico Charter School law in 1993 and the revision in 1999, charter schools have been seen as a powerful tool for local parents and community members to create new and exciting educational opportunities in the public school system. The 2006 New Mexico Legislative made a number of additional positive amendments to the New Mexico Charter Schools law granting even more flexibility to charter schools. In 2008, the Center for Education Reform rated New Mexico’s Charter School law as a “high achiever” and rated it as the 13<sup>th</sup> strongest charter schools law in the nation out of 41 states that have charter school laws (Center for Education Reform web site at: <http://www.edreform.com/>).

The following describes how the New Mexico Charter School Act (Appendix A) establishes an administrative relationship between the charter school and the authorizer, exempts charter schools from significant state or local rules that inhibit flexible operation and management, provides for autonomy of charter schools over budget, expenditures, daily

operation and personnel and increases the degree of flexibility afforded by the SEA to charter schools.

1. **Administrative Relationship.**

The 2006 amendment to the New Mexico Charter Schools Act created a Charter School Division in the NMPED, thus raising the status and importance of charter schools within the state-wide effort for school reform. The Charter Schools Division is led by an Assistant Secretary of Education, appointed by the Governor, who also serves as a member of the NMPED executive team. Effective July 1, 2007, the new law allowed for dual authorizing of charter schools by either a school district or the Public Education Commission (PEC). Charter school developers may select either as its initial or renewal authorizing authority. (Appendix A, Sec. 22-8B-6 and 22-8B-12)

A state-chartered school is exempt from school district requirements and is responsible for developing its own written policies and procedures that conform to the Public School Code and other applicable laws. (Appendix A, Sec. 22-8B-5) State-chartered schools are responsible for the design and operation of their own programs, subject to PEC approval of the charter. The approved charter becomes a contract between the school and the authorizing agency (Appendix A, Sec. 22-8B-9), and a state-chartered school has the status of a Local Education Agency (LEA) under state law. If requested by the charter school, the Secretary of Education shall waive requirements or rules and provisions of the Public School Code pertaining to individual class load, teaching load, length of the school day, staffing patterns, subject areas, purchase of institutional materials, evaluation standards for school personnel, and school principal duties for charter schools. These waivers shall be for the term of the charter granted, but can be suspended or revoked earlier by NMPED. (Appendix A, Sec. 22-8B-5) If an initial or renewal charter

application is denied by either the locally-chartered authorizer or state authorizer, the charter school can appeal to the New Mexico Secretary of Education with further appeal available to the district court. (Appendix A, Sec. 22-8B-7)

Locally-chartered schools are also responsible for the design and operation of their own programs, subject to local school board approval of the charter. The approved charter becomes a contract between the charter school and the district school board and must contain any requests for waivers from the Public School code which are transmitted by the authorizing district to the Secretary of Education for approval. Denial of a charter by a local school board is subject to the same appeal rights indicated above.

2. **Exemptions From Rules That Inhibit Flexible Operation/Management.** The New Mexico Charter Schools Act allows for wide latitude in the operations and management of a charter school through its provisions spelling out a charter school's rights and responsibilities. (Appendix A, Sec. 22-8B-4)

- A charter school is a public school that is governed by a governing body in the manner set forth in its charter. The only requirements that the state law places on a charter school's governing body is that it must consist of at least five members, no member may serve on the governing body of another charter school, and the governing body of a state-chartered school must qualify as a Board of Finance. The qualifications for a charter school's governing body to be its own Board of Finance are substantially similar to those applicable to a school board.
- A charter school is responsible for its own operation and budgets, subject to audits required by the New Mexico Audit Act. The charter school has fiscal control over

its budget in return for fiscal accountability to either the local school district or NMPED, ensuring that the school is fiscally sound.

- A charter school may contract with a wide range of providers for the use, operation and maintenance of a facility, financial management, food services, transportation, education-related services or any other service or activity that the school is required to perform to carry out the educational program described in its charter. Charter schools may not contract with a for-profit agency for the management of the school.
- A single charter school may maintain separate facilities at two or more locations within the same school district.
- A charter school may accept any charitable gift, grant, devise or bequest that is not contrary to law or the terms of the charter.
- A charter school may sue or be sued and the local school board is not liable for any acts or omissions of the charter school.
- Charter school students with disabilities and their parents retain all rights under the federal Individuals with Disabilities Education Act (IDEA).
- All qualified charter schools receive the state and federal funds for which they are eligible. Funding for locally-chartered school is transmitted via the authorizing school district, whereas state-chartered schools receive funds directly from the NMPED. (Appendix A, Sec. 22-8B-13) With the exception of the CSP grant, locally-charted schools apply for federal funds through their District. State-chartered schools apply for federal funds directly to the NMPED.

3. **Autonomy of Charter Schools.**

In addition to the exemptions allowed by state law, charter schools are provided the financial means and freedom of action to exercise additional autonomy in its operations.

- A charter school receives 98% of the student generated program cost provided by New Mexico's State Equalization Guarantee (SEG) formula. Two percent of the schools allocable state funds are retained by the authorizing agency to cover the costs of administrative support to the charter school. (Appendix A, Sec. 22-8B-13)
- Charter schools are responsible for creating their own budgets, obligating expenditures, liquidating debts, compliance with all applicable laws related to teacher qualification and minimum salaries. Charter schools are not subject to the upper limits of any district or state pay scales and may offer salaries that are higher than those mandated by state law in order to attract more qualified candidates for teaching and administrative positions.
- Charter schools are responsible for their own annual calendar and the design and conduct of their daily operations within the term of the approved charter.
- A charter school employs its own personnel, who are employees of the charter school, not the local school district. Charter school employees have the same rights and protections afforded to them as those employed by the school district. Charter schools also develop their own (school-wide) Professional Development Plans.

In summary, New Mexico's Charter School law allows for a high degree of flexibility for both state and locally-authorized charter schools, with exemptions that allow each school to exercise a significant level of autonomy over its programs and operations. Charter school

developers and operators have a choice to seek authorization and renewal from either a local school district or as a state-chartered school, which is recognized as an LEA. Freedom in the design and operation of the school, including the educational program, personnel hiring policies and procurement is provided in exchange for high levels of accountability and student success.

*Selection Criterion #3 – The number of high-quality charter schools to be created in the state.*

*The Secretary considers the SEA's reasonable estimate of the number of new charter schools to be authorized and opened in the State during the three-year period of this grant. The Secretary also considers how the SEA will inform each charter school in the State about Federal funds the charter school is eligible to receive and ensure that each charter school in the State receives the school's commensurate share of Federal education funds that are allocated by formula each year, including during the first year of operation of the school and during a year in which the school's enrollment expands significantly.*

New Mexico will establish an Objective to create an average of 8 new high-quality charter schools per year during the 2009-2012 term of the CSP grant.

**Objective 3: To increase the number of high-quality charter schools in New Mexico.**

(Selection Criterion #3 – The number of high-quality charter schools to be created in the state)

**Objective 3.1:** An average of eight new high-quality charter schools per year will be authorized during the term of the 2009-2012 CSP Grant.

**Measure:** By July 1, 2012, the total number of new charter schools that will have been authorized by the Public Education Commission and local school districts will be no less than 24.

**Source:** Review of the Minutes of New Mexico Public Education Commission charter authorization meetings (held in September) and minutes of local school board meetings at which new locally-chartered school are authorized by the external evaluator.

**Objective 3.2:** The Charter Schools Division (CSD) of the NMPED, in collaboration with the New Mexico Coalition for Charter Schools, will provide Prospective Applicant Training and technical assistance for potential charter school developers annually.

**Measure:** The Division and the Coalition will provide no less than 5 Prospective Applicant training sessions between January 1 and May 30 of each year of the CSP Grant.

**Source:** Charter School Division and Coalition records of training agendas and records of Prospective Applicant attendance.

**Objective 3.3:** The number of new charter applications will increase.

**Measure:** an average of 15 new charter applications per year will be received by the Commission and local districts for consideration during the term of the 2009-2012 CSP Grant.

**Source:** Review of NMPED and district reports of charter application submissions by he external evaluator.

A high-quality charter school” will be one that meets all of the criteria presented as New Mexico’s standards for high-quality charter schools in the section above on Competitive Preference Priority 3 – Number of High-Quality Charter Schools

Currently, there are 74 approved charter schools in New Mexico. With the 2006 passage of an amendment to the New Mexico Charter Schools Act that established state authorization of charter schools as an option to local school district authorization, and its implementation effective July 1, 2007, there has been increased interest in developing charter schools for state authorization. During the 2006-2007 school year, prior to state authorization, only five locally-chartered school applications were approved in the state. In 2007, 27 developers indicated their intent to submit applications. Eight applications (37% of the letters of intent) were eventually submitted to the Commission for state chartering and two applications were submitted to local district authorizers. Of these, a total of four new charters (40% of the applications) were approved. In 2008, 32 developers indicated intent. Twelve new charter school applications (37% of the letters of intent) were received, eleven by the Commission and one by a local school

district. Of the eleven applications for state charters, six were approved. The local charter application was also approved for a total of seven new charter schools (58% of the applications).

As noted in the Introduction, the initial effect of state chartering was a decrease in the average number of new charters approved each year. We attribute this initial decline in approved charters to the desire of developers to delay applications until state authorizing was available and the development and application of a new set of high-quality standards by which state charter applications were evaluated.

At this writing, the NMPED has been informed of 31 potential developers who may submit charter applications in 2009. If the recent two-year trend continues, it is reasonable to expect that approximately 11 applications (37%) will actually be received and that 7 (58%) of those will receive approval.

At the same time that the number of new charters has begun to increase from the low of five in 2006-2007 to 7 in 2008, the technical assistance and training activities of the Charter Schools Division have also improved. The Division now offers Prospective Applicant training and technical assistance for developers during the six-month period prior to the required date for submission of applications. This program has been successful in enabling developers to submit applications of higher quality, as shown in the increase from four to seven new charters approved. This being the case, New Mexico foresees a general increase in the number of new charter schools over the term of the grant, and has set a project goal of 24 new charter schools (an average of 8 per project year) as a Project Objective.

*Selection Criterion #4 – Management Plan*

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

Management of the New Mexico Charter Schools Grant Program is assigned by the Secretary of Education to the Charter Schools Division (CSD) of the New Mexico Public Education Department (NMPED). The CSD operates under the direction of the Assistant Secretary for Charter Schools. CSD staff includes a program manager, five education administrators, a business management coordinator, an attorney, the administrative assistant to the Assistant Secretary, and a division secretary.

One of the five education administrators will be designated as the SEA Project Director for the CSP grant and is tasked with day-to-day management of the Charter Schools Grant program. The responsibilities of the Project Director include:

- Preparation and issuance of the annual Request for Applications for the CSP Planning and Implementation grant
- Review and approval of initial and amended sub-grantee grant budgets
- Review and approval of grant payment requests
- Presentations at CSD trainings and public events regarding grant eligibility, application and management.
- Completion of annual compliance visits to sub-grantee schools with the participation of CSD staff
- Preparation and submission of federal annual and final reports

- Maintaining complete records of all grant-related activities including communications, payments, application processes and compliance issues.

The Project Director also participates in all non-grant-related division activities such as the analysis and evaluation of new and renewal charter applications, charter school site-visits, and Prospective Applicant and Planning Year training. The Division Program Manager serves as the alternate Project Director as needed. The Division's other Educational Administrators participate in on-site CSP sub-grantee compliance reviews. Each Educational Administrator is assigned to serve as liaison (i.e., a first-line contact person) to a group of state and locally-chartered schools. The Business Management Coordinator monitors the budgets and financial status of state-chartered schools. The Division Attorney advises the Assistant Secretary and Division staff on all applicable legal issues, including state and federal grant eligibility and management issues.

The management plan that will be implemented for the 2009-2012 CSP Grant is a cyclical annual plan, based on the development of processes and activities over the two years since the CSD was established. Management of the CSP Grant is an inherent part of the overall activities of the Division and grant activities are tied in many instances to the charter application, review and technical assistance schedule. The following chart contains the proposed schedule of CSP grant and other related Division activities for the 2009 to 2012 grant and activities related to the CSP grant are described in further detail in the chart below.

| <b>New Mexico Charter Application and Grant Management Processes – 2009 to 2012</b> |  |   |  |  |
|---|--|---|--|--|
| <b>Annual Dates</b><br><br>(State Fiscal Year)                                      | <b>Charter Application Process</b>   | <b>CSP Sub-Grant Award Process</b>  | <b>CSP Sub-Grant Compliance Monitoring Process</b>                   | <b>CSP Evaluation Process</b>  |
| <b>July</b><br>1<br><br>2<br><br>(date TBA)   | New Charter Applications received<br><br>CSD review of new charter applications begins<br><br>Annual School Administrators Conference – Best Authorizing Practices Presentation by CSD | CSP Sub-Grant Request for Application (RFA) issued to new Charter applicants; CSP Sub-Grant application period begins. Application review begins as received.<br><br>Annual School Administrators Conference – Update on CSP grant management for sub-grantee school administrators | Annual Reports requested from current sub-grantees (due September 1) | Review CSD and district reports of Number of new charter applications received<br><br>Ongoing budget review to insure support of instructional programs. |
| <b>August</b><br>31   | CSD review of new charter applications completed   | CSP Sub-Grant application review continues.   | Annual sub-grantee reports reviewed                                  | Ongoing budget review to insure support of instructional programs  |
| <b>September</b><br>1<br><br>15 (approx.)   | State charter application approval/denial by PEC   |   | Sub-grantee annual reports due.                                      | Annual Evaluation report due from External Evaluator   |

|                                    |  |   |  |   |
|------------------------------------|--|---|--|---|
| 30                                 |  | CSP Sub-Grant application period ends   |  |   |
| <b>October 31</b><br>(date TBA)    | NMPED Public Information Office issues notice of application period for new charters   | CSP sub-grantees selected   |  |   |
| <b>November</b><br>(dates TBA)     | Planning Year Training for New Charters<br><br>Annual NM Coalition for Charter Schools Conference – Best Practices presentation(s) by CSD and selected charter schools | CSP Grant Management Training<br><br>Annual NM Coalition for Charter Schools Conference –Update on CSP grant management for sub-grantee school administrators | Selected on-site monitoring as indicated by sub-grantee Annual Reports | Customer satisfaction surveys<br><br>Review PEC/District records for number and type of new charter schools authorized. |
| <b>December</b><br>(dates TBA)     | Planning Year Training for New Charters  | CSP Grant Management Assistance   |  | Customer satisfaction surveys<br><br>Final report to CSP Office, US ED (2012 only)                                      |
| <b>January 2</b><br><br>(date TBA) | Letters of Intent Received<br><br>Prospective Applicant  |   |  |   |

|  |   |   |   |   |
|--|---|---|---|---|
| (date TBA)                                   | Training begins<br><br>Planning Year Training for New Charters                | CSP Grant information provided to Prospective applicants<br><br>CSP Grant Management Assistance |   | Customer satisfaction surveys<br><br>Customer satisfaction surveys  |
| <b>February</b> (date TBA)<br><br>(date TBA) | Prospective Applicant Training<br><br>Planning Year Training for New Charters | CSP Grant Technical Assistance available<br><br>CSP Grant Management Assistance                 |   | Customer satisfaction surveys<br><br>Customer satisfaction surveys<br><br>Issue Request for Proposals for external evaluation contract (2010) |
| <b>March</b> (date TBA)<br><br>(date TBA)    | Prospective Applicant Training<br><br>Planning Year Training for New Charters | CSP Grant Technical Assistance available<br><br>CSP Grant Management Assistance                 | CSP Grant Compliance Reviews begin (for schools in first year of operation) | Customer satisfaction surveys<br><br>Customer satisfaction surveys<br><br>Evaluate Proposals for external evaluation contract (2010)          |
| <b>April</b> (date TBA)<br><br>(date TBA)    | Prospective Applicant Training<br><br>Planning Year Training for New Charters | CSP Grant Technical Assistance available<br><br>CSP Grant Management Assistance                 | CSP Grant Compliance Reviews continue                                       | Customer satisfaction surveys<br><br>Customer satisfaction surveys  |

|                           |  |  |  |   |
|---------------------------|--|--|--|---|
|                           |  |  |  | Award Contract for external evaluation (2010)   |
| <b>May</b><br>(date TBA)  | Prospective Applicant Training   | CSP Grant Technical Assistance available | CSP Grant Compliance Reviews continue      | Customer satisfaction surveys   |
| (date TBA)                | Planning Year Training for New Charters  | CSP Grant Management Assistance          |  | Customer satisfaction surveys   |
| (date TBA)                | Schools chartered in the previous calendar year will be approved or disapproved to begin operations. |  |  | External evaluation of CSP grant objectives   |
| <b>June</b><br>(date TBA) | Prospective Applicant Training   | CSP Grant Technical Assistance available |  | Customer satisfaction surveys   |
| (date TBA)                | Planning Year Training for New Charters  | CSP Grant Management Assistance          |  | Customer satisfaction surveys   |
|                           |  |  | CSP Grant Compliance Review reports issued | Annual Report to CSP Office, US ED (2010 & 2011 only)<br><br>Verify number of Prospective Applicant trainings |
|                           |  |  |  |   |

**CSP Sub-Grant Award Process:**

**July** - The Request for Applications (RFA) is the document issued by the Charter Schools Division to all known new state and local charter applicants to invite applications for CSP sub-grants. The RFA describes the eligibility requirements, the application process, the scoring rubric and the operation of the grant. Included with the RFA are the application form and the proposed budget form. All of these documents are issued via e-mail attachments. The application and budget forms are created in Microsoft Word and Excel and are designed to be completed on a computer for electronic submission by the deadline. Paper copies of these documents are provided if necessary. Draft copies of the RFA, application and proposed budget form are included in Appendix B.

Also in July, the Charter Schools Division will request annual reports of each existing sub-grantee's progress in the planning and implementation of their charter school to include a verification of expenditures. These annual reports are due at the Charter Schools Division by September 1.

**July through October** – The evaluation of CSP sub-grant applications begins as soon as they are received and continues while the charter applications are being reviewed by the respective authorizers. The purpose of evaluating charter applications and CSP sub-grant applications during the same period is to permit the issuance of CSP award letters as soon as possible after charter authorization and thus reduce or eliminate an extended delay between authorization and the funding necessary to begin planning and implementation activities. It should be noted that New Mexico charter schools generally have no other sources of funding during the period between authorization and the beginning of State Equalization Guarantee funding on the following July 1. Accordingly, New Mexico's CSP application process is

designed to enable new charter schools to begin start-up activities immediately after charter authorization.

CSP sub-grant applications are reviewed and scored by an external panel of experienced charter school operators according to the Scoring Criteria provided on the RFA. (Appendix B, p. 10-12) The application form is designed to include all items required in the applicable federal law and also to address the Competitive Preference Priority for secondary, at-risk focused schools. (See Section above on Competitive preference Priority #1) In addition, the New Mexico CSP sub-grant application contains a section in which each applicant charter school must declare its other sources of funding during the grant period in order to make a determination of financial need for these federal funds.

Proposed budgets are reviewed by CSD staff. The staff review of budgets allows more experienced eyes to review all proposed expenses to insure that they are reasonable and necessary, and allowable under current state and federal laws and regulations. During the application review period, the NMPED reserves the right to solicit clarification of information from sub-grant applicants, but does not allow applicants to make revisions in either the \*\* applications or the proposed budgets once those have been received.

Awards of sub-grants are based on points assigned by the evaluators according to the criteria of the application scoring rubric. The rubric is included in the RFA so that prospective applicants will understand what is required and how their information will be evaluated, thereby maintaining a transparent application process. (See Request For Applications, Appendix B) Sub-grant applications that do not receive the minimum number of points are not funded. Applicants that receive the minimum number of points may be required to make certain

amendments in their proposed activities in order to increase the level of quality. Proposed budgets are reduced by any expenses found to be unreasonable, unnecessary or unallowable.

**September** - On September 1, the Annual Evaluation report due from Contractor and Sub-grantee annual reports are due. On or before Sept. 15, the Public Education Commission makes its charter application approval/denial decisions. On Sept. 30, the CSP Sub-Grant application period ends.

**October 31** – CSP sub-grant award letters are issued to successful applicants no later than October 31. An exception may occur when a charter application has been initially denied by the authorizer and the developer chooses to appeal. In such a case, successful applicants will be issued a tentative award letter in the amount of \$100,000 so that they may begin planning and implementation activities while any appeals are resolved. Final award letters in the full amount of the sub-grant will be issued to all sub-grantees after any applicable appeals are resolved.

The CSP sub-grant award letter issued by the NMPED is an authorization to obligate grant funds up to the maximum amount of the sub-grant award. All awarded funds are available for obligation by the charter school immediately from the date of the award letter. Thus authorization continues until the end date of the award, which is also the ending date of the state's grant.

**November** – The CSD will initiate, as has been its recent procedure, a series of Planning Year trainings for operators of newly chartered schools to assist them in the planning phase. As a part of these trainings, CSP sub-grant management issues are presented in order to assure the appropriate use of funds and adherence to state and federal laws.

Also in November, any on-site monitoring of previously awarded sub-grantees will take place if need is indicated by information in their Annual Reports that were due on September 1.

**December** - Planning Year trainings with CSP Grant Management Assistance available as needed. Need for additional assistance is determined by the state CSP Project Director based on monitoring of sub-grantee progress in beginning their planning and implementation activities or by the requests of sub-grantees themselves.

In December, 2012, it is expected that the final report on this grant will be submitted to the CSP Office of the U. S. Department of Education.

**January** – Based on the Letters of Intent to apply for a charter submitted by prospective charter school developers, the CSD begins a series of Prospective Applicant trainings to assist developers in the preparation of their charter applications. Included in this training is information on the availability and requirements of the CSP grant to new charters, and further information on the grant and subsequent trainings will be provided as needed. Planning Year training continues.

**February** – Planning year and Prospective Applicant training continues. In February, 2010, the Charter Schools Division will issue a Request for Proposals for an external evaluation contract from an outside source. Further details on the qualifications of the external evaluator and the evaluation process are included in Selection Criterion #6 – Evaluation of the Project - of this application.

**March** - Planning year and Prospective Applicant training continues. Charter School Division staff begins a series of On-site CSP Grant Compliance Review visits to sub-grantee schools that are about to complete their first year of operation. These visits include a review of programs implemented, verification of the uses of grant funds, compliance with applicable state and federal law and regulations, and student progress, if applicable, among other things. The Compliance Review process is further described in Appendix C.

Also in March, 2010, the CSD will evaluate proposals for the external evaluation contract.

**April** - Planning year and Prospective Applicant trainings and On-site Compliance Review visits continue. In April, 2010, the CSD will award the contract for the external evaluation contract.

**May** - Planning year and Prospective Applicant trainings and On-site Compliance Review visits continue. First annual external evaluation of CSP grant objectives is conducted by contractor.

**June** – Final Planning year and Prospective Applicant trainings. CSP Sub-Grantee Compliance Review reports are issued. Contractor provides external evaluation of CSP grant objectives. In 2010 and 2011, Annual Report to CSP Office, US ED is submitted.

**Milestones:**

The following indicators, or “milestones,” reflect New Mexico’s expected progress in achieving the objectives of the project and will be included in the evaluation by the external contractor.

Milestone #1 - September, 2009: At least 8 new charters will have been approved of which at least two are high-quality secondary, at-risk schools. (Objective #1)

Milestone #2 - June, 2010: Charter schools approved in 2009 that receive CSP sub-grants will demonstrate the existence and operation of the instructional programs specifically indicated in their approved charters or subsequently developed curricula at the end of their first year of operation. (Objective #2.1)

Milestone #3- September, 2010: At least 16 new charters will have been approved of which at least four are high-quality secondary, at-risk schools.

Milestone #4 - June, 2011: Charter schools approved in 2010 that receive CSP sub-grants will demonstrate the existence and operation of the instructional programs specifically indicated in their approved charters or subsequently developed curricula at the end of their first year of operation. (Objective #2.1)

Milestone #5 - June, 2011: Charter schools approved in 2009 that receive CSP sub-grants will demonstrate increased student achievement at the end of their second year of operation resulting from the instructional programs specifically indicated in their approved charters. (Objective #2.2)

Milestone #6 - September, 2011: At least 24 new charters will have been approved of which at least six are high-quality secondary, at-risk schools.

Milestone #7 - June, 2012: Charter schools approved in 2011 that receive CSP sub-grants will demonstrate the existence and operation of the instructional programs specifically indicated in their approved charters or subsequently developed curricula at the end of their first year of operation. (Objective #2.1)

Milestone #8 - June, 2012: Charter schools approved in 2010 that receive CSP sub-grants will demonstrate increased student achievement at the end of their second year of operation resulting from the instructional programs specifically indicated in their approved charters. (Objective #2.2)

*Selection Criterion #5 Dissemination Activities*

New Mexico DOES NOT propose to use CSP grant funds to support Dissemination activities during the 2009-2012 term of the grant.

*Selection Criterion #6 - Evaluation of the Project*

*The Secretary considers the quality of the evaluation to be conducted of the proposed project. In determining the quality of the evaluation, the Secretary considers the extent to which the methods of evaluation include the use of objective performance measures that are clearly related to the intended outcomes of the project and will produce qualitative and quantitative data to the extent possible.*

New Mexico proposes a strong evaluation plan by which to determine its progress towards meeting the stated objectives of the grant. The plan includes benchmarks or milestones to monitor progress, and outcome measures to assess the impact on teaching and learning and on other important outcomes (see Application Requirements, Section 1, Objectives of the Grant). The Evaluation Plan described below and the Milestones referenced here are also elements in the state's overall grant management plan. (See Selection Criterion #4 – Management Plan)

New Mexico's objectives, described fully in Section 1 of the Application Requirements, focus the state's efforts in three areas: (1) increasing the academic achievement of at-risk students by increasing the number of schools providing programs for such students, and setting high levels of performance, (2) increasing the academic achievement of all charter school students by setting high levels of performance, and (3) increasing the number of high-quality charter schools in the state. Each of these objectives is supported by sub-objectives that delineate and support the main objective by specifying in greater detail the criteria and measures required to determine if the objectives have been achieved.

The evaluation plan that will be implemented requires the collection and analysis of the data indicated in the Measures and reporting the degree to which the objectives have been achieved at certain Milestone points in the course of the grant. Certain evaluation activities will

be accomplished by the staff of the Charter Schools Division and others by an external, contracted evaluator.

### **Internal Evaluation by the Charter School Division**

The staff of the Charter Schools Division regularly evaluates the effectiveness of its activities as a matter of course in an effort to achieve continuous improvement of the services it provides to New Mexico charter schools and this effort will be continued and expanded during the term of the grant. The data and findings of the Division staff will be provided to the external contractor for review and confirmation as a part of the annual evaluation process. To carry out its evaluation responsibilities, the Division will:

1. Review Public Education Commission and local school district records to determine if at least two new high-quality secondary, at-risk charter schools have been authorized during the fiscal year. Performed annually in November. (Objective 1.1)
2. Review budgets of NMPED and funded charter school fiscal records sufficient to determine if grant funds have been used to support instructional programs. Performed at proposed grant budget review, July through October; whenever school requests a budget change; as part of the payment approval process, and at the On-site Compliance Monitoring during the first year of operation. (Objective 2.11)
3. Review Public Education Commission and local school district records sufficient to determine if at least eight new high-quality charter schools have been authorized during the fiscal year. Performed annually in November. (Objective 3.1)
4. Review Charter School Division and New Mexico Coalition for Charter Schools records sufficient to determine if at least five Prospective Applicant training sessions have been

provided between January 1 and May 30 of each year of the grant. Performed annually in June. (Objective 3.2)

5. Review Public Education Commission and local school district records sufficient to determine if at least fifteen new charter applications were received by these authorizers during each year of the grant. Performed annually in July. (Objective 3.2)
6. Solicit and analyze customer satisfaction surveys (via the cooperation of the New Mexico Coalition for Charter Schools) from potential charter school developers after each Prospective Applicant training session. Performed after each training session.
7. Solicit and analyze customer satisfaction surveys after each Planning year training session for new charter schools. Performed after each training session.
8. Evaluate the contents of new charter school applications against the NMPED Standards for High-Quality Charter Schools in order to advise the Public Education Commission of the developers' compliance with state charter school requirements. Performed annually, July to September.
9. Perform a comparative analysis of successful and unsuccessful new charter school applications in order to identify the strengths and improve the weaknesses of Prospective Applicant training. Performed annually, November – December.
10. Evaluate the progress of new charter schools during the planning year in order to advise the Public Education Commission of the schools' readiness to begin operations according to the NMPED Standards for High-Quality Charter Schools. Performed monthly, December to June.
11. Perform on-site CSP Sub-grantee Compliance visits to funded schools during their first year of operation to collect and analyze data on grant management, uses of funds,

implementation of programs and compliance with state and federal requirements.

Performed annually, March to May.

The results of these evaluations become tools by which the Division can improve the quality of its activities and inform current and prospective charter schools of best practices in the areas of application preparation, charter school implementation and CSP sub-grant management.

### **External Evaluation by a Contractor**

New Mexico will contract with an external contractor to perform additional evaluations over a wide range of areas, particularly those directly connected with the stated objectives of the grant. By contracting with an external provider, New Mexico will receive unbiased and professional evaluations of its success in achieving the grant objectives.

The external evaluation process will begin with the issuance by the Charter Schools Division in February of 2010 of a Request for Proposals to identify a qualified contractor. The contract will be in the amount of \$75,000 to accomplish three annual evaluations over the term of the grant, beginning in May, 2010. The New Mexico Procurement code requires that a Request for Proposals be issued whenever the total amount of a contract exceeds \$30,000. The proposal will be evaluated in March, 2010 and a contractor will be selected and a contract offered in April of 2010. The funding for this contract is included in the administrative costs of this grant in Section A of the proposed grant budget (ED Form 524).

The qualifications for the contractor will be:

1. Familiarity with New Mexico charter schools, the state's charter school law, NMPED mandated reporting requirements and PED data collections and their strengths and limitations.

2. Well-developed research approaches, methodologies and, as applicable, computer programs that reflect the unique nature of NMPED data architectures.
3. Ability to create explanatory graphics and reporting visuals that can be used to readily display the results obtained from the analysis covered in the scope of work.
4. Endorsement of its research design as fully compliant with the Family Education Records Privacy Act by the U.S. Department of Education.
5. Documented experience in creating and using customized data selection and statistical programs as needed to complete the scope of work.
6. Previous experience with New Mexico PED data sources and development of methodologies to overcome limitations of data accuracy and completeness.
7. Prior experience with New Mexico charter schools, the authorizing legislation, and the historical performance of charter schools in different regions of the state.
8. Prior efforts to evaluate charter schools individually and as a group.

The contractor's evaluation activities will take place annually in May and June. The Contractor's activities will include, but may not be limited to:

Quantitative Data:

1. Review and confirmation of the Division's findings on the number of new high-quality secondary, at-risk charter schools that were been authorized during the fiscal year.  
(Objective 1.1)
2. Annual collection and analysis of student performance data sufficient to measure the progress of students attending funded secondary, at-risk charter schools. (Objectives 1.2 and 1.3)

3. Review and confirmation of the Division's findings of the percentage of grant funds that have been used by funded schools to support instructional programs. (Objective 2.11)
4. Annual collection and analysis of student performance data sufficient to measure the progress of students attending other funded charter schools. (Objective 2.12)
5. Annual collection and analysis of student performance data sufficient to compare the progress of students attending funded charter schools with similar non-charter public schools. (Although this assignment is not connected to a stated objective, it will serve to allow NMPED to assess whether its student performance objectives for charter schools are sufficiently rigorous to demonstrate the advantages of charter school attendance over attendance at regular public schools.)
6. Review and confirmation of the Division's findings on the number of new high-quality charter schools have been authorized during the fiscal year. (Objective 3.1)
7. Review and confirmation of the Division's findings on the number of Prospective Applicant training sessions have been provided between January 1 and May 30 of each year of the grant. (Objective 3.2)
8. Review and confirmation of the Division's findings on the number of new charter applications were received by these authorizers during each year of the grant. (Objective 3.2)

Qualitative Data:

1. Review and analysis of the annual Charter Schools Division comparative analysis of successful and unsuccessful applications and the modifications made by the division in its Prospective Applicant Training to better assist potential developers in the preparation of their applications. (Objective 3.2)

2. Review, analysis and comparison of the instructional programs offered at funded charter schools with recommendations for improvements that will result in improved student achievement. (Objectives 1.2, 1.3, 1.12)
3. Review and analysis of the training content and participant evaluations of the Prospective Applicant trainings provided by the Charter School Division and New Mexico Coalition for Charter Schools with recommendations for improvements that will result in an increased number of successful applications. (Objective 3.3)
4. Review and analysis of the training content and participant evaluations of the Planning Year trainings provided by the Charter School Division.

External Evaluator Reporting Requirements:

1. By September 1 of 2010 and 2011, the contractor will provide an annual report of the state's progress, according to the Milestones set forth in Section 1 of the Application Requirements, in meeting the grant objectives to the Assistant Secretary for Charter Schools of the NMPED.
2. By September 1 of 2012, the contractor will provide a final report of the state's progress in meeting the grant objectives to the Assistant Secretary for Charter Schools of the NMPED.

The contents of the annual and final evaluation reports will provide the following information:

1. Purpose of the report.
2. Data collection performed and compilation of data.

3. Analysis of the data.
4. Findings relative to the achievement of Milestones.
5. Findings relative to the achievement of CSP Grant Objectives.
6. Status of the state's progress in achieving the CSP Grant Objectives.
7. Contractor's recommendations for improvements in the state's CSP Grant

management, the instructional and/or grant-related operations of funded charter schools and other related activities.

The annual and final evaluation reports will be reviewed by the Charter Schools Division and members of NMPED Executive Staff. The reports will be made available to the public by posting on the NMPED web site, and will serve as a partial basis for the annual and final reports to the US ED CSP Office.

The Division will use the findings and recommendations of the evaluator during and after the term of the grant to modify its activities relative to those services that affect the achievement of the grant objectives. For instance, if fewer than eight new charters are authorized in any year, the Division will revise its Prospective Applicant training contents based on its own and the evaluator's analysis and comparison of successful and unsuccessful applications. If a funded charter school does not achieve the student performance objectives for the first year of operation, the Division will transmit the recommendations of the evaluator to the school management and require that modifications be made so that the second year objectives are met.

Through the implementation of this Evaluation Plan, New Mexico will assemble a large quantity of data and establish a frequent and methodical system of analysis to assess the effectiveness of its charter school services and grant management processes, resulting in continuous and positive improvements in charter school operations and educational results.

# Project Narrative

## Other Narrative

Attachment 1:

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# Budget Narrative

## Budget Narrative

Attachment 1:

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## Budget Narrative

New Mexico requests a total grant of \$15,157,900.00 to carry out the New Mexico Charter School Grant Program during the 2009-2012 program years as follows:

2009-2010: \$5,052,633.00

2010-2011: \$5,052,633.00

2011-2012: \$5,052,634.00

### **Administrative Costs:**

Of these amounts, total Administrative Costs, including Indirect Costs at the rate of 17.1%, will be \$757,900.00.

2009-2010: \$252,633.30

2010-2011: \$252,633.30

2011-2012: \$252,633.30

Administrative costs will be applied to the following categories:

Personnel Costs: \$97,550.00 per year towards partial salaries for four Charter School Division employees whose duties include, but are not limited to, critical elements of grant administration and achievement of the grant objectives. These employees include the Project Director, Program Manager, Business Management Coordinator, and the Division Attorney. An additional \$32,191.50 per year will be applied towards Fringe Benefits for those Division employees.

Travel in the amounts of \$30,000 per year includes necessary travel to school, training, and meeting sites around the states as needed to fulfill the Division's responsibilities related to Compliance Monitoring for funded schools, technical assistance to schools and districts, the charter school authorization process, and also out-of-state

travel such as the National Charter Schools and NACSA Conferences and the annual CSP Project Directors Conference. Expenses applied to travel costs are controlled by the regulations of the New Mexico Department of Finance and Administration, but usually include mileage for use of a personal automobile or rental of a state vehicle, airfare for out-of-state travel and per diem or actual costs for meals and lodging.

The Equipment and Supplies amounts of \$6,000 per year (\$3,000 for each category) will be applied to partial costs of necessary office and presentation equipment as needed for grant management and sub-grantee training such as a FAX machine, copier, computers and printers, and the various office supplies necessary for Division operations related to the CSP grant.

Annual Contractual costs include \$25,000 per year for the cost of an External Evaluation contract and \$25,000 per year for a contract with the New Mexico Coalition of Charter Schools for assistance in providing Prospective Applicant Trainings, for a total of \$50,000 per year.

Indirect costs of \$36,891.80 per year are based on the 17.1% Indirect Cost Rate as per New Mexico's current Indirect Cost Rate Agreement with the US Department of Education.

**Sub-Grant Funds:**

The "Other" category of the Budget Summary contains the amounts to be awarded as Planning and Implementation sub-grants to new charter schools which we project at \$4,800,000.00 per year of the grant. This amount has been estimated based on the average amounts of prior sub-grant awards and the expected number of new charter schools.

During the term of the 2006-2009 CSP Grant, an average sub-grant amount of \$600,000 was awarded to new charter schools. New Mexico's Project Objective #1 sets the goal of an average of eight new charter schools to be authorized during each year of the grant. Therefore, we have multiplied the average amount awarded during the last grant by the expectation of eight new schools each year to arrive at an estimate of \$4,800,000.00 that will be needed annually for sub-grants. The total amount to be used for sub-grants will be \$14,400,000.00.

**Distribution of sub-grant funds:**

In order to qualify for a CSP sub-grant, new charter schools must apply to the Charter Schools Division of the NMPED. Applications must be received by the application deadline and meet the criteria described in the Request for Applications (RFA). Applications are reviewed and scored by external readers according to the Scoring Rubric contained in the RFA. Applications that receive at least the minimum score will be approved for sub-grant awards, although if those scores are deemed to be low or portions of the application do not meet the desired criteria, the application must be amended as directed by the Charter Schools Division in order to receive an award.

The amount of the sub-grant award is determined by two factors:

- The amount of allowable costs requested
- The amount of CSP grant funds available for sub-grant awards for the current fiscal year.

Proposed budgets are reviewed by Charter Schools Division staff and any unallowable expenses are deducted from the total amount requested by the school. A

sub-grant award may not exceed the total amount of allowable expenses in the approvable budget.

The available funds for the fiscal year are divided by the number of schools found to be eligible for the grant based on application scores to arrive at a per school grant amount. If a school's approvable budget total is less than the per school amount, the school is awarded only the approved budget total amount. If the budget total exceeds the per school amount, the school receives a sub-grant in the base amount.

In order to meet its plan for Competitive Preference Priority #1 and to provide an incentive for the establishment of more secondary, at-risk charter schools, New Mexico will reserve 10% of available grant funds each year to be distributed only to qualifying secondary, at-risk charter schools as an addition to the basic sub-grant amount. An example for one year of the grant is shown in the Distribution Chart below:

|                            | <b>Incentive Funds</b>                    | <b>Basic Funds</b>                                 |                               |   | <b>Basic grant Amount</b>                     | <b>Incentive Amount</b>                                  | <b>Total Award</b>                    |
|----------------------------|---|--|-------------------------------|---|---|--|---------------------------------------|
| Annual Available P&I Funds | Secondary At-Risk Incentive Reserve (10%) | P&I Funds Available to all awarded Charter Schools | Total Awarded Charter Schools | Total Awarded Secondary At-risk Schools | Basic Funds divided by number of new charters | Incentive Funds divided by new Secondary At-risk Schools | Incentive Funds added to basic amount |
| \$4,800,000                | \$480,000                                 | \$4,320,000  | 8                             | 2                                       | \$540,000                                     | \$240,000  | \$780,000                             |

This example presumes that the objective of eight new charter schools, including two new secondary, at-risk charter schools, is met in any year and that all schools qualify for CSP grant funding. Ten per cent of the total available amount of Planning and Implementation (P&I) funds - \$4,800,000 - is held in reserve in the amount of \$480,000 leaving \$4,320,000 as for funding for all schools. When the basic grant amount is divided by the total number of qualified schools, the individual school award amount is \$540,000. The Incentive reserve amount (\$480,000) is then divided by the number of qualified, secondary, at-risk schools to arrive at an incentive amount of \$240,000 for each of those schools. The Incentive amount is added to the basic amount of \$540,000 which results in a total award to each secondary, at-risk charter schools of \$780,000.

Any funds not awarded during any grant year will be carried over and added to the available P&I funds for the next grant year.

**Payment Process:**

The letter notifying the school of its sub-grant award (the award letter) authorizes the school to obligate funds effective as of the date of the letter for approved Planning and Implementation expenses. The award letter is approved by the New Mexico Secretary of Education and informs the school of the amount awarded, the applicable time limits for use of funds (including the 18 and 24 month limits on use of funds for Planning and Implementation expenses, respectively).

Payment of grant funds is made when the school submits a payment request. This may be either an advance payment request for obligations made before the school is in receipt of State Equalization Guarantee (SEG) funds or a reimbursement request when the school has used SEG or other funds to pay its obligations. In either case, the payment request is submitted to the Charter Schools Division where it is reviewed by the CSP Project Director for reasonable, necessary and allowable expenses that were included in the school's approved grant budget, and also to verify that the expenses were obligated within any applicable time limits.

When the payment is approved by the CSP Project Director, it is forwarded to the NMPED Administrative Services Division for processing and payment of grant funds into the school's bank account. Both the Charter Schools Division and the Administrative Services Division maintain complete and accurate records of expenses and payments.

In the event that any claimed expenses are not allowable or did not occur within the applicable time limits, the school is informed and the amount of the payment is reduced accordingly.