

U.S. Department of Education

Washington, D.C. 20202-5335



APPLICATION FOR GRANTS UNDER THE

**CHARTER SCHOOLS PROGRAM STATE EDUCATIONAL AGENCY
CFDA # 84.282A
PR/Award # U282A100003**

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

OMB No. 1894-0006, Expiration Date:
Closing Date: MAY 07, 2010

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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 <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application:* If Revision, select appropriate letter(s): <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation * Other (Specify) <input type="checkbox"/> Revision	
* 3. Date Received: 5/3/2010	4. Applicant Identifier:	
5a. Federal Entity Identifier:	* 5b. Federal Award Identifier: N/A	
State Use Only:		
6. Date Received by State:	7. State Application Identifier:	
8. APPLICANT INFORMATION:		
* a. Legal Name: Michigan Department of Education		
* b. Employer/Taxpayer Identification Number (EIN/TIN): 386000134	* c. Organizational DUNS: 805336641	
d. Address:		
* Street1:	P.O. Box 30008	
Street2:		
* City:	Lansing	
County:		
State:	MI	
Province:		
* Country:	USA	
* Zip / Postal Code:	48909	
e. Organizational Unit:		
Department Name: Office of Education Improvement & Innovation	Division Name: Public School Academy Program	
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix:	* First Name:	Jean
Middle Name:		

* Last Name: Shane

Suffix:

Title:

Organizational Affiliation:

* Telephone
Number:

(517)241-2375

Fax Number:

(517)241-0247

* Email: SHANEJ@MICHIGAN.GOV

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:

84.282A

CFDA Title:

Charter Schools Program State Educational Agency

*** 12. Funding Opportunity Number:**

ED-GRANTS-032310-002

Title:

Charter Schools Program State Educational Agency

13. Competition Identification Number:

Title:

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

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

Michigan Charter School Grant Program

Attach supporting documents as specified in agency instructions.

Attachment:

Title :

File :

Attachment:

Title :

File :

Attachment:

Title :

File :

Application for Federal Assistance SF-424

Version 02

16. Congressional Districts Of:

* a. Applicant: MI-008

* b. Program/Project: MI-all

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

Attachment:

Title :

File :

17. Proposed Project:

* a. Start Date: 8/1/2010

* b. End Date: 7/31/2015

18. Estimated Funding (\$):

a. Federal	\$ 44939716
b. Applicant	\$
c. State	\$
d. Local	\$ 0
e. Other	\$
f. Program Income	\$
g. TOTAL	\$ 44939716

*** 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 5/3/2010.

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

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)**

IXI ** 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: * First Name: Michael
Middle Name: P
* Last Name: Flanagan
Suffix:

Title: Superintendent of Public Instruction

* Telephone Number: (517)373-9235 Fax Number: (517)335-4565

* Email: CHARTRANDM@MICHIGAN.GOV

* Signature of Authorized Representative: * Date Signed:

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: 1894-0008

Expiration Date: 02/28/2011

Name of Institution/Organization:
Michigan Department of Education

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 (b)	Project Year 3 (c)	Project Year 4 (d)	Project Year 5 (e)	Total (f)
1. Personnel	\$ 152,403	\$ 155,166	\$ 158,011	\$ 160,942	\$ 163,961	\$ 790,483
2. Fringe Benefits	\$ 76,202	\$ 77,583	\$ 79,006	\$ 80,471	\$ 81,981	\$ 395,243
3. Travel	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 15,000
4. Equipment	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
5. Supplies	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
6. Contractual	\$ 168,057	\$ 152,888	\$ 156,857	\$ 156,857	\$ 156,857	\$ 791,516
7. Construction	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
8. Other	\$ 7,839,900	\$ 9,034,900	\$ 8,924,900	\$ 8,599,900	\$ 8,399,900	\$ 42,799,500
9. Total Direct Costs (lines 1-8)	\$ 8,239,562	\$ 9,423,537	\$ 9,321,774	\$ 9,001,170	\$ 8,805,699	\$ 44,791,742
10. Indirect Costs*	\$ 28,724	\$ 29,146	\$ 29,582	\$ 30,030	\$ 30,492	\$ 147,974
11. Training Stipends	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
12. Total Costs (lines 9-11)	\$ 8,268,286	\$ 9,452,683	\$ 9,351,356	\$ 9,031,200	\$ 8,836,191	\$ 44,939,716

***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: 10/1/2009 To: 9/30/2010 (mm/dd/yyyy)

Approving Federal agency: ED Other (please specify): _____ The Indirect Cost Rate is 10.2%

(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)? The Restricted Indirect Cost Rate is 0%



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

OMB Control Number: 1894-0008

Expiration Date: 02/28/2011

Name of Institution/Organization:
 Michigan Department of Education

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 (b)	Project Year 3 (c)	Project Year 4 (d)	Project Year 5 (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 (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

Standard Form 424B (Rev.7-97)

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
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 sub-agreements.
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 (Clear Air) Implementation Plans under Section 176(c) of the Clear 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. "1721 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

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 the 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.

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.

Signature of Authorized Certifying Representative:

Name of Authorized Certifying Representative: Michael P. Flanagan

Title: Superintendent of Public Instruction

Date Submitted: 05/03/2010

Disclosure of Lobbying Activities

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

1. Type of Federal Action: <input type="checkbox"/> Contract <input checked="" type="checkbox"/> Grant <input type="checkbox"/> Cooperative Agreement <input type="checkbox"/> Loan <input type="checkbox"/> Loan Guarantee <input type="checkbox"/> Loan Insurance	2. Status of Federal Action: <input type="checkbox"/> Bid/Offer/Application <input type="checkbox"/> Initial Award <input type="checkbox"/> Post-Award	3. Report Type: <input checked="" type="checkbox"/> Initial Filing <input type="checkbox"/> Material Change For Material Change only: Year: 0Quarter: 0 Date of Last Report:
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier, if known: 0 Name: N/A Address: City: State: Zip Code + 4: - Congressional District, if known:	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Name: Address: City: State: Zip Code + 4: - Congressional District, if known:	
6. Federal Department/Agency: N/A	7. Federal Program Name/Description: Charter Schools Program State Educationa CFDA Number, if applicable: 84.282A	
8. Federal Action Number, if known:	9. Award Amount, if known: \$0	
10. a. Name of Lobbying Registrant (if individual, last name, first name, MI): N/A Address: City: State: Zip Code + 4: -	b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI): N/A Address: City: State: Zip Code + 4: -	
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 this 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.	Name: Michael P. Flanagan Title: Superintendent of Public Instruction Applicant: Michigan Department of Education Date: 05/03/2010	
Federal Use Only:	Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)	

Section 427 of GEPA

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.

Applicants should use this section to address the GEPA provision.

Attachment:

Title :

File : S:\Grants Office\Work Area\Grant Programs\Federal Grants\Charter School (84.282A)\10-11\Draft\GEPA assurance.doc

e-Application for Michigan's Charter School Grant Program

1. GEPA

Statement for Section 427 of GEPA

The primary purpose of the Michigan Department of Education's Charter School Grant Program is to encourage potential developers of charter schools to engage in a disciplined preparation process designed to improve the quality of applicants available to authorizers when they consider chartering a Public School Academy.

The nature of the allowable grant activities – funding for early, exploratory development work – opens up the charter school development process to many first-time applicants of all genders, races, ages and ability levels. Without this early funding, more applicants would be deep-pocketed corporations able to advance themselves funding for the development work and reimburse themselves from later grant funds. Outreach activities outlined in the grant application will invite many individual and smaller non-profit applicants and increase diversity of applicants.

Charter schools in Michigan are located primarily in urban, minority, economically distressed areas, and grant information sessions are planned in those areas in order to increase access to interested developers in those areas.

The grant announcement will be available in alternate formats upon request and distributed to disability activist organizations and special education networks. The announcement will invite interested applicants with disabilities to contact MDE to request accommodations regarding submission of grant applications.

Michigan's charter school statute requires all Public School Academies (charter schools) to establish and implement open enrollment policies, which admit any student regardless of gender, race, national origin, disability or color and which allocate available enrollment spaces by lottery if more students wish to attend than can be accommodated.

**SUPPLEMENTAL INFORMATION
REQUIRED FOR
DEPARTMENT OF EDUCATION GRANTS**

1. Project Director:

Prefix: * First Name: Middle Name: * Last Name: Suffix:
Ms. Jean Shane

Address:

* Street1: P.O. Box 30008
Street2:
* City: Lansing
County:
* State: MI * Zip / Postal Code: 48909 * Country: USA

* Phone Number (give area code) (517)241-2375
Fax Number (give area code)

Email Address:

SHANEJ@MICHIGAN.GOV

2. Applicant Experience

Novice Applicant Yes No Not applicable

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:**Attachment:**

Title :

File :

Project Narrative

Abstract Attachment Form

Attachment 1:

Title: Pages: **0** Uploaded File: **S:\Grants Office\Work Area\Grant Programs\Federal Grants\Charter School (84.282A)\10-11\Draft\ABSTRACT.doc**

ABSTRACT

Organization: Michigan Department of Education
608 West Allegan Street
P.O. Box 30008
Lansing, Michigan 48909

Contact: MaryAlice Galloway
Office of Education Improvement
and Innovation
(517) 241-3147
gallowaym@michigan.gov

Since the inception of the Michigan Charter School law in 1995, the charter school movement in Michigan has gained momentum with 240 charter schools in place during the 2009-2010 school year. The long-term objectives of Michigan CSP grant program are to increase the number of **high quality** charter schools in Michigan that meet the needs of diverse learners, **increase student achievement**, and to continue to **close the achievement gap**, especially with **at-risk and secondary school students**. In meeting the federal Charter School Program purpose, Michigan Public School Academies Program (PSAP) awards sub-grants to charter school developers for early-stage planning and initial implementation of charter schools. Through the use of dissemination sub-grants, the PSAP also provides resources to high performing schools to document and distribute “**best practices**” to stakeholders within Michigan’s education community. The state will also **improve its evaluation** component for this grant iteration with the assistance of **Stanford University’s Center for Research on Education Outcomes**.

More specifically, the goals for the state of Michigan are to **produce between 74 and 92 new high quality charter schools** in the next five years thereby increasing the number of charter schools by about 15%. Among these new schools will be **at least ten new “Schools of Excellence”** patterned after high-performing schools or programs and **two new, K-12 Cyber Schools**. Balancing the appetite for charter expansion with sustained quality achievement and performance is the state’s ongoing challenge – a challenge that the state’s administration for future federal CSP funds will help to address.

Michigan Department of Education

Project Narrative

Application Narrative Attachment Form

Attachment 1:

Title: Pages: **0** Uploaded File: **S:\Grants Office\Work Area\Grant Programs\Federal Grants\Charter School (84.282A)\10-11\Draft\GRANT Narrative 21Apr10.doc**

CONTEXT: The Situation Into Which The Grant Program Fits

The first of Michigan's 240 charter schools (or Public School Academies [PSAs], as they are termed in Michigan statute) were established in 1995, during a period of significant restructuring and reform within the state's system of K-12 education. Since that time, much has happened to positively influence public perceptions surrounding charter schools and clarify the important role they play in Michigan's overall educational landscape. The demand for quality charter school options has never been higher, as evidenced by the recent raising of the cap on the number of university-authorized charter schools in Michigan.

In particular, the state's **economic crisis** has cast the successes and challenges of Michigan's public education system in sharp relief, particularly in Detroit where unemployment is reported at just under 30% but is suspected to be much higher.¹ The demand for safe, high-quality educational options - particularly alternative or dropout recovery programs for students who have already left school and now face overwhelming economic hardship - is growing and, in many instances, charter schools are filling the gaps.

Continued **management and performance problems** in Detroit Public Schools have also heightened the need for quality charter school alternatives in Michigan's largest urban area. Although an Emergency Financial Manager is in place, challenges continue to exist for a school district that U.S. Education Secretary Arne Duncan has called "'ground zero' for education in the U.S."² Newspaper and anecdotal depictions show charters as lifeboats for children in this troubled city school district.³ What's more, the district's plans to shutter nearly 60 schools by the end of 2010⁴ has displaced a great many students, many of whom will continue to seek enrollment in the charter schools. Thus, charters have assumed a vital place in Detroit's overall school turnaround strategy, providing immediate support for city students and a "safe harbor"

that allows the Detroit Public Schools some breathing room to transform. In the fall of 2009, 50,129 Detroit resident students attended 111 charter schools either in Detroit or in surrounding districts. An additional 13,787 students attend schools of choice outside of the district. It is also important to note that the district's enrollment decline to below the 100,000 pupil threshold also resulted in unlimited chartering opportunities for two Detroit-area community college authorizers, effectively removing any cap on charter school expansion in the city.

Simultaneously, charter school **academic performance is strong and improving**. Results for charter schools compare favorably to the urban host districts in which they are located, particularly among various population subgroups. Please see page 8 for more detailed information about specific state-level measures of performance.

And finally, authorizers are closing failing charter schools - 34 to date – which is clearly indicative that performance and accountability matter in Michigan's charter sector. These actions have been viewed positively by policymakers and, along with the federal Race to the Top (RTTT) initiative, actually helped provide context for recently-passed legislation that would serve to subject the bottom 5% of low performers among all public schools to transform or close.

In addition to the above-listed factors, the state's **strategic utilization of its federal Charter Schools Program (CSP) grant funds** between 2007 and 2010 has been of tremendous benefit to expanding the number of chartering opportunities available. By awarding early-stage planning grants to charter school developers, the state took a risk with some unproven entities with a limited track record. However, through this process, the state learned to discern the types of individuals and organizations that have capacity to deliver quality educational programs. This knowledge has led to an exponential increase in the overall quality and diversity of charter applicants in the pipeline.

These new, high-quality CSP planning subgrantees have been passionate and innovative in their quests to obtain charters, resulting in a variety of interesting outcomes. They have captured the interest of several organizations that are now considering becoming authorizers, helped existing authorizers justify their closure decisions, and have independently urged lawmakers toward their ultimate December 2009 decision to raise the cap on the number of university-authorized charter schools. In effect, the state's strategic use of CSP funds created the impetus for the Legislature to provide new chartering opportunities for quality developers statewide.

In addition, private funders in Michigan and nationally have begun to help leverage the state's strategic use of federal CSP funds by making matching funds available to several of these high-quality charter developers. Even former charter school opponents now call their resistance to charter schools "an error."⁵

Michigan's support for new quality school choices and public charter schools specifically continues to grow. Enrollments in Michigan public charter schools remains strong at 111,000, which is up 27% over the past 5 years, all while K-12 enrollment in Michigan has declined by 5.5% over this same period due to the economy and lower birth rates. Waiting lists in Michigan continue at 10,000 to 12,000 students per year each fall, and Michigan continues to be a leader in the market share of chartering with 2 communities in the top 10 nationwide that have at least 25% of their students in public charter schools.

New polling shows a huge jump in public support for charters with 54% favoring charters in 2002, to 57% favoring in 2007 up to 77% in 2010. Those voicing opposition has declined by half in the same time frame, from 32% in 2002 to 16% in 2010. Talking with parents and the public in metro Detroit shows solid support for the use of charter school choice as a means to

improve the quality of all schools providing greater accountability and parent involvement. In the public's opinion, charters provide teachers with the opportunity to be more innovative because they partner with parents and students for better outcomes. 85% of voters in Detroit believe that allowing parents to choose the appropriate school for their child will improve the entire public school system.

Together, these trends point to continuous growth in Michigan's charter school sector. With the pent-up demand for new charter schools in Michigan, plus the continued closure of low-performing charters, the state is anticipating opening up to 92 new schools resulting in a net increase of 10% to 15% in the overall number of charters during the next three to five years. Balancing the appetite for charter expansion with sustained quality and performance is the state's ongoing challenge - a challenge that the state's administration of future federal CSP funds will help address.

Michigan is working to apply its accumulated knowledge and become a stronger force in the **establishment of high-quality educational programs**. Paradoxically, a flurry of new chartering activity makes a consistent focus on quality and performance more essential, but even more difficult to manage effectively. The state will help ensure quality by taking a much more prominent role in defining and supporting it along the way. The state uses its early-stage grant funding to help leverage the most qualified charter school developers and provide active support to premier educational programs across Michigan. The state has already tightened and solidified its program requirements, and will continue to increase its ongoing subgrantee monitoring activities in order to provide strength and support to the large numbers of new charter schools established during the next several years.

Ongoing incentives for the **creation of quality charter high schools - particularly those that serve at-risk students** - must be a priority. At-risk students are defined as high poverty students who are at least a year behind when they enter high school. Academic performance among existing charter high schools continues to be a focal point for much-needed improvement.

Better tools and resources are needed to support new charter schools from a legal, financial and operational perspective as they move forward. Too often, the state sees academically promising programs become impeded by poor administrative and/or legal decisions (e.g., related party transactions, unbudgeted expenditures and poor regulatory compliance). In particular, charter school board leaders often have difficulty managing Education Service Provider (ESP) contracts effectively. The state has learned that practical toolkits, checklists, benchmarks and templates can be of immediate value in helping schools establish sound operations, particularly when ESPs are utilized. More must be done in partnership with schools, ESPs and authorizers to develop and make these resources readily available.

A stronger communications link must be constructed to allow all public schools - charter and traditional - to establish and maintain a dialogue that serves to facilitate the sharing of best practices. Michigan's economic challenges, coupled with the impact of recent state and federal education initiatives, are causing the state's educational landscape to experience unprecedented levels of change and evolution. It has never been more essential for schools to share knowledge, information and strategies to support students effectively, yet few effective methods for dissemination and collaboration currently exist.

The CSP grant objectives outlined in the next paragraph will contribute to the charter school growth through an ongoing focus on quality improvement. These goals laid out above are

designed to support Michigan's most significant challenges and opportunities during the next five years, particularly in the City of Detroit.

The goals to increase the number of high-quality charter schools in Michigan, particularly in Detroit, and to improve student achievement in Michigan charter schools, particularly for secondary and at-risk pupils are intuitively obvious. The goal to bolster Michigan charter schools' long-term fiscal and operational stability is important but even more important when the effect on student performance is considered. And finally, the goal to provide stronger vehicles for information sharing, training and support among charter schools, and boost communications between charter schools and traditional districts promotes improvement in all areas.

Priority 1--Periodic Review and Evaluation (10 points). 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.

When a charter contract or reauthorization is issued, Section 502(4) of the Michigan Revised School Code, MCL 380.502(4), requires that “an authorizing body shall oversee, or shall contract with an intermediate school district, community college or state public university to oversee each public school academy operating under a contract issued by the authorizing body. The oversight shall be sufficient to ensure that the authorizing body can certify that the public school academy is in compliance with the statute, rules, and terms of the contract.”

The “terms of any contract” are required by statute [MCL 380. 503(6)] to include “the educational goals the public school academy is to achieve and the methods by which it will be held accountable. . . . the pupil performance of a public school academy shall be assessed using at least [the MEAP] test...” The frequency of review is only indirectly specified in statute by

the now-annual nature of the MEAP administration, so a network of established practices has been developed to reassure the public about the frequency and quality of authorizer oversight.

Authorizers have begun to relate the length of their charter contracts as a measure of school quality. As a matter of general practice in Michigan, an initial charter contract is issued for a period of five years. Following this initial contract term, a school's performance becomes a factor in the duration of future contracts. A school that is performing well, for instance, may receive a seven- or even a ten-year contract. Schools that are struggling, however, could receive only a three-year contract, or a one-year contract extension. This reflects the additional attention and support that the authorizer believes the school requires. Thus, overall school performance and potential can be inferred from the length of its charter contract.

The Michigan Department of Education (MDE) has two additional methods to determine oversight quality and frequency, statutory and administrative. Section 503 of Michigan's Revised School Code, MCL 380.503(3), requires that authorizers submit to MDE a copy of every contract within ten days of issuance. Administratively, MDE has developed an "Assurances and Verification" system, which asks authorizers to "assure" the state how they oversee eighteen critical factors listed in the table below:

Competitive Solicitation	Board Appointment Process	Single-Site Compliance
Non-Profit Incorporation Status	Open Application Process & Lottery	Occupancy & Facility Approvals
Revocations and Non-Renewals	Collective Bargaining (if LEA-Authorized)	Monitoring Academic Performance Against Goals
Educational Goals	Legal Compliance	Teacher Certification
Required Reporting	ESP Relationships	Financial Auditing
Supervisory Visits	Governing Policies	Financial Stability

A "verification" visit is scheduled during which MDE staff examines documentation to establish that the systems are carried out as described. If MDE finds that inadequate oversight is occurring, Michigan statute, MCL 380.502(5), allows the state's Superintendent of Public

Instruction (SPI) to “suspend the power of the authorizing body to issue new contracts to organize and operate public school academies.” To date, 100% of those reviewed include at least an annual review of academic performance and contract compliance -- several collect achievement data three times annually -- in addition to formal reassessments at the time of reauthorization, in accordance with their recommended professional practice.

In addition, the state collects and reviews annual financial audits for each Michigan charter school. Frequently, the state must follow up with schools and their authorizers regarding various management issues and audit recommendations. Michigan also collects, through its Center for Educational Performance and Information (CEPI), a broad array of personnel, financial, operational, and academic data for all schools, and reports on this data annually.

Finally, the State Board of Education (SBE) uses its statutory reporting ability to report publicly on the compliance and performance of charter schools across the state once each year. This report, which is shared broadly and presented to the Legislature each spring, offers a comprehensive view of Michigan's charter school sector.

Coupled with the annual state/federal accountability and reporting provisions, these statutory requirement and oversight practices are more than sufficient to ensure that the authorizer, the state and the public can accurately determine on an ongoing, immediate basis whether the charter school is meeting the terms of the school's charter and all applicable student academic achievement requirements and goals for charter schools. Additionally, the state will partner with the Education Policy Center at Michigan State University and CREDO at Stanford University to broaden the research and evaluation component of the CSP program.

Priority 2--Number of High-Quality Charter Schools (10 points). 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.

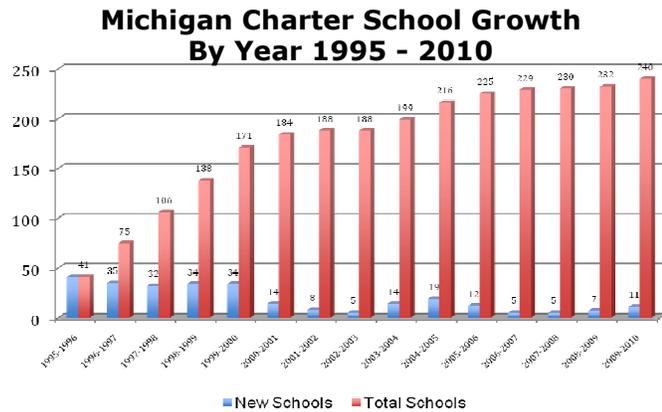
Michigan's charter sector has been growing steadily – both in terms of quantity and quality – since the first charter school opened in 1995.

Currently, 240 charter schools are operating in Michigan, serving 7.7% of

the state's children. The National Charter School Research Project lists Michigan as having the fifth largest percentage of public school students served by charter schools in the nation during 2007-08 and the seventh largest number of charter schools.⁶ In 2009, 11 new charters opened their doors in Michigan despite a legislative cap on the number of university-authorized charter schools. For Detroit resident students, 33% attend one of 111 charter schools.⁷

The SBE's 2008 report to the Legislature on PSA progress revealed that charter schools are achieving better test scores than their urban "cluster districts" and that charters are making progress toward closing the achievement gap for urban, minority and poor students. Cluster districts were defined as the traditional public school districts with three or more charter schools. Charter school graduation and dropout rates also compare favorably to those in host districts. The report also found that only four of Michigan charter school districts did not make AYP in 2008 - 2009, and that only nine schools are in Phase IV - Restructuring on the NCLB School Report Cards.⁸

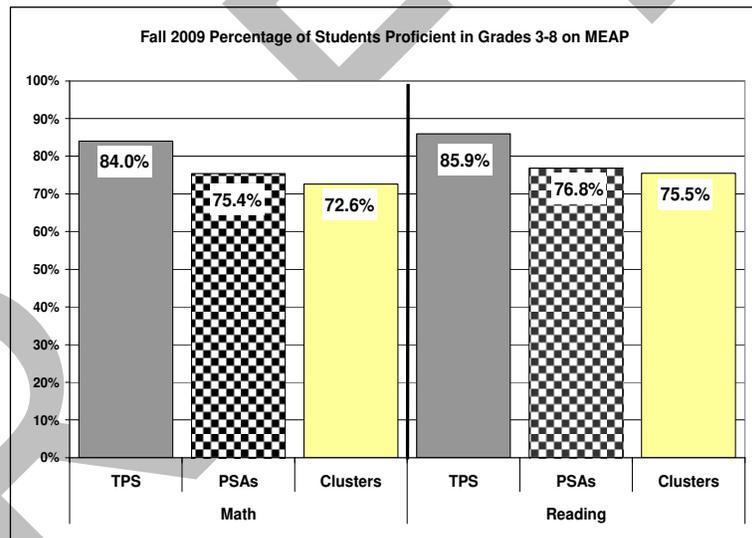
The primary measures used to analyze academic performance in Michigan are the



Michigan Educational Assessment Program (MEAP) administered to grades 3 to 8 and the Michigan Merit Examination (MME) given in the 11th grade, since they are the measures for which data are available for all charter and traditional public schools in the state. In each case, the most recent available data as reported by the SBE are used. The results used for this application are from fall 2009 elementary and middle school test administration dates and spring 2009 high school testing dates.

Elementary & Middle School Student Achievement

Fall 2009 charter school grade 3-8 performance has been compared with that of the 23 cluster districts and with all traditional public schools (TPS). For both reading and mathematics, data have been aggregated for all grades within a school to give an overview of each individual school's performance. The figure on the

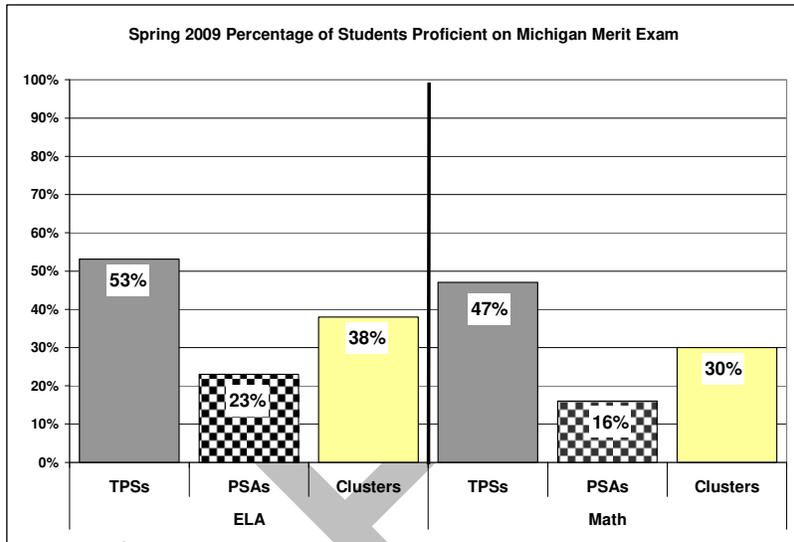


next page shows the percentage of students who met or exceeded state standards. Both charter school and cluster district performance lagged behind TPS, but students in charters performed slightly better than students in urban cluster districts.

Similar results were reflected in nearly all of the demographic subgroups measured, with charter schools outperforming the urban cluster district but performing less well than the statewide TPS average - with one noteworthy exception: African-American students in Michigan charter schools performed better than African-American students in all TPS statewide.

High School Student Achievement

Charter high schools, in the aggregate, did not perform as well as cluster districts or TPS on the English Language Arts (ELA) and mathematics portions of the MME. As mentioned, high school performance is an area in need of targeted, intensive improvement.



Just over one-fourth of all charter high school pupils are participating in alternative education programs. This percentage is noticeably higher than in traditional public schools, and likely has some effect on the aggregated MME scores reported here.

To date, 34 charter schools have been closed for failure to perform according to the terms of their charter contracts. A recent MDE survey of authorizers found that the top three reasons for charter school closure were: (i) governance/management concerns, (ii) financial viability, and (iii) academic viability. In this way, market forces and sound oversight practices are working together to ensure the continued proliferation of high-quality charter schools in Michigan.

Priority 3--One Authorized Public Chartering Agency Other than a Local Educational Agency (LEA), or an Appeals Process (10 points). 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.

In Michigan, public universities, community colleges, intermediate school districts (ISDs) and local school districts (LEAs) may authorize public school academies under Section

502 of Michigan’s Revised School Code, MCL 308.502(2). This gives Michigan a total of over 600 possible authorizers. The 27 active authorizers are listed here:

Universities		Intermediate School Districts	
Central Michigan	Lake Superior State	Allegan ESA	Midland ISD
Oakland	Northern Michigan	Bay Arenac ISD	Ottawa ISD
Eastern Michigan	Ferris State	Cheboygan PI ISD	Saginaw ISD
Grand Valley State	Saginaw Valley State	Hillsdale ISD	St Clair RESA
		Kalamazoo RESA	Washtenaw ISD
		Macomb ISD	Wayne RESA
		Manistee ISD	
Community Colleges		Local Education Agencies	
Bay Mills CC	Washtenaw CC	Detroit	Highland Park
Kellogg CC		Grand Rapids	

On this point, since the logic of this priority is to reward a multiplicity of potential authorizers, it is noteworthy that the types of authorizers with the most potential have the least amount of participation (LEAs & ISDs). Historically, this has been a challenging proposition given traditional school districts' opposition to the chartering concept. The changing trend of acceptance in national politics has led to ongoing and more fruitful discussions with a number of previously disinterested LEAs and ISDs about the possibility of authorizing.

More specifically, an enrollment decline to below 100,000 pupils in the Detroit Public Schools has resulted in unlimited chartering opportunities for two community college authorizers, effectively removing any cap on charter school expansion in the city.

Priority 4--High Degree of Autonomy (10 points). The state ensures that each charter school has a high degree of autonomy over the charter school's budgets and expenditures.

Part 6A of Michigan’s Revised School Code, MCL 380.501-380.507 provides for a high degree of legal autonomy for charter schools, **which are treated as LEAs under the law.** The law provides that a public school academy is a public school, a school district, a body corporate and is a governmental agency. The powers granted to a public school academy under this part of the law constitute the performance of essential public purposes and governmental functions of

this state. It also provides that a public school academy shall be organized and administered under the direction of a board of directors, shall be organized under the nonprofit corporation act, and that a public school academy may: (i) sue and be sued in its name, (ii) acquire, hold and own in its own name real and personal property for educational purposes, (iii) sell or convey property, (iv) receive and disburse funds, (v) enter into binding legal agreements, (vi) incur temporary debt, and (vii) solicit and accept grants or gifts for educational purposes.

Through its use of CSP dissemination grant funds, the state will support and extend the operational performance of schools by providing a more robust body of information to board members and administrators. By providing financial guidelines, written toolkits, and suggested strategies for improvement, the state will further strengthen the body of leadership knowledge charter schools have at their disposal and raise the bar on operational performance without in any way impeding the autonomy of charter school boards.

Invitational Priority --High Quality Charter Schools in Urban and Rural Areas. The state demonstrates its focus on increasing capacity to support high-quality charter schools in urban and rural areas with a large proportion of public schools identified for improvement or corrective action, or restructuring under Title I, Part A of the ESEA.

The state continues to focus its time and energy on improving all public schools, including charter schools, through the use of a statewide system of support and school improvement initiatives. Through the use of mentoring network and targeted assistance, the state looks to improve leadership capacity with school leaders all across the state. However, this support is currently aimed at southeast Michigan which contains the Detroit metropolitan area. The largest percentage of schools identified for improvement or corrective action in Michigan that area.

Additionally, through collaborative efforts and support of Detroit's Emergency Financial Manager (Robert Bobb) assigned by Michigan's Governor, the state maintains a level of

oversight and direct involvement not seen in other municipalities. It should be noted that Mr. Bobb's title may be a little deceptive since he is not just the financial manager but he has also exercised influence over a wide range of activities within the Detroit Public Schools including the reorganization of the district and the identification of schools to be closed and/or otherwise transformed. As a matter of fact, it is his vision and plan for transforming Detroit Public Schools that is currently being implemented.

Application Requirement (i): Grant program's objectives and how they will be fulfilled, including steps taken by MDE to inform teachers, parents and communities of the grant program

Objective 1: Increase the number of high-quality charter schools in Michigan, particularly in Detroit.

Outcome 1.1: By July 1, 2015, the number of charter schools in Michigan will have increased from 240 to 282. Of the new schools, at least 35 will be located in Detroit.

Related Activities:

- The state will support successful charter school developers with implementation grants of at least \$400,000 over two years. As a result of these funds, all new charter schools will have the opportunity to receive additional support for their academic programs.
- The state will require subgrantees that receive incentive funding for at-risk and/or secondary programs to include assessment and evaluation plans and programs to measure and attain minimum levels of student performance. This is particularly important as the state mandates just one high school test for students and it is administered in the spring of 11th grade year. Unfortunately, too many students have already dropped out by that time. There are currently no end-of-course tests for high school students which would demonstrate student performance before students take the MME.
- The MDE website will provide updated resource materials for charter developers.

- The state will work with leaders from the public, private and non-profit sectors to recruit high-quality charter school developers with proven programs from across the nation.
- Staff will conduct and/or participate in quarterly state and regional workshops to inform interested school developers about available chartering opportunities and CSP subgrant funding. Written information, tools and resources will be distributed and recognized service providers will be on hand to provide support. At least 100 attendees will participate in these sessions annually.

Outcome 1.2: Strengthen pool of charter applications by awarding early-stage planning grants to at least 100 of Michigan's strongest developers, and following up with high-quality subgrantee training and technical assistance.

Related Activities:

- Michigan has a vital interest in keeping its "pipeline" of charter schools strong. Thus, the state proposes to continue awarding early stage planning grants to developers that propose quality educational program models and demonstrate the capacity to effectively deliver them. The state has refined its practices for accomplishing this work more effectively, and plans to continue supporting independent developers each year with the resources they need to establish high-quality programs.
- To aid these developers in their work, MDE will work with its partner organizations (e.g., MAPSA, NCSI, MCCSA, and the Michigan Association of Charter School Boards (MACSB), among others) to provide workshops and training on how to write quality charter applications and connect with necessary resources during the program development process. All planning subgrantees are required to participate in these learning opportunities.
- The state will recruit new, nationally recognized service providers from the traditional K-12 and higher education sectors, to ensure broad cross-pollination of best practices.

Outcome 1.3: 100% of new charter schools will make Adequate Yearly Progress and meet or exceed the state-approved growth model during each year of the grant period.

Related Activities:

- Implementation subgrantees shall participate in a nationally recognized testing regimen that will measure annual academic growth in the areas of math and reading for grades 3 to 8 and math and ELA in high school and will make those results available to MDE.
- The state will host monthly meetings with all planning subgrantees to share common issues and concerns. These meetings will allow for information sharing and support, and will serve as professional learning communities for these subgrantees.
- MDE will monitor subgrantees' student achievement goals annually, providing data analysis, technical assistance, site visits and feedback when necessary.

Objective 2: Improve academic achievement in Michigan charter schools, particularly among at-risk and/or secondary pupils.

Outcome 2.1: The state will give CSP grant priority and incentive funding to programs that serve at-risk and/or secondary students within high need communities.

Related Activities:

- The state will retain up to 10% of its total grant amount each year to be used as one-time incentive funding for schools that are in development and propose programs designed to serve at-risk and/or secondary pupils. Programs that qualify for incentive funding will be required to include assessment and evaluation plans and programs to measure and achieve high levels of student performance. Funds will be distributed twice annually to schools that certify this area of programmatic emphasis, up to a capped per-school amount of \$250,000. One-half of the incentive funding will be paid to qualifying schools, with the second half of incentive funding being paid after the attainment of specified student performance criteria as measured by the results of the nationally recognized assessment administered in the beginning and at the end of each school year during the project period.

- The state will award priority points to early-stage planning subgrant applicants who propose to serve at-risk and/or secondary populations.

Outcome 2.2: Charter schools receiving funding will implement instructional programs that result in student achievement levels greater than or equal to:

- 70% proficiency for elementary and middle school students on state reading and math assessments following the first full year of operation; and

- 80% proficiency for elementary and middle school students on state reading and math assessments following the second full year of operation,

OR

- 80% of elementary and middle school students who have not met the state standards in the previous year will demonstrate improvement or significant improvement in reading and math on the MEAP test following the first full year of operation, using Michigan's federally-approved growth model; and

- 90% of elementary and middle school students who have not met the state standards in the previous year will demonstrate improvement or significant improvement in reading and math on the MEAP test during the second full year of operation, using Michigan's federally-approved growth model.

- 80% of all high schools students enrolled will show more than one grade level of improvement (or its equivalent) in reading and math using a nationally recognized assessment program designed to measure annual academic growth.

Related Activities:

- MDE will monitor subgrantees' student achievement goals annually, providing data analysis, technical assistance, site visits and feedback when necessary.

- Programs that qualify for incentive funding will be required to include assessment and evaluation plans and programs to measure and achieve high levels of student performance.
- MDE will host monthly meetings with all planning subgrantees to share common issues and concerns. These meetings will allow for information sharing and support, and will serve as professional learning communities for the subgrantees.

Outcome 2.3: The percentage of charter school students statewide who are proficient on both state reading and math assessments will increase by 3% annually.

Related Activities:

- MDE will monitor subgrantees' student achievement goals annually, providing data analysis, technical assistance, site visits and feedback when necessary.

Outcome 2.4: The state will form a charter school performance task force that will help identify structures, tools and resources to support and improve all charter schools in general, and secondary schools in particular.

Related Activities:

- The state will assemble representatives of MAPSA, NCSI, MCCSA, MACSB, and others from the private, foundation and non-profit communities to meet on a quarterly basis at minimum. This panel, to be known as the Charter School Performance Task Force (hereafter referred to as the “Task Force”), will work closely with MDE's High School Core Team, a working group designed to address secondary school performance across K-12, to identify barriers inhibiting success and strategies for improving high school performance. By December 31, 2012, the team will develop a framework and recommendations for boosting high school achievement.
- The state will convene a panel of key leaders and partners from across Michigan's charter community. As its first order of business, this Task Force will establish quality standards for

charter schools by December 31, 2011, and will issue periodic reports holding all Michigan charter schools accountable for meeting those standards annually thereafter.

- The state will work with this Task Force, as well as external evaluators and researchers, to explore methods for effectively examining and comparing charter school performance. A more consistent, reliable way of measuring and comparing charter school data, inputs and achievement results will be developed.

Outcome 2.5: The state will recognize and share the research-based best practices of schools that demonstrate measurably improved performance among secondary or at-risk pupils.

Related Activities:

- The state will give funding priority to dissemination grant projects that propose: (i) proven techniques for improving student achievement in secondary schools, (ii) research projects that examine the effectiveness of innovative practice in charter schools that demonstrate success among secondary or at-risk pupils, or (iii) partnerships between high performing secondary charter schools and charter schools working to improve secondary school achievement. At least five dissemination grants in this area will be awarded, one in each year of the grant.
- The state will highlight the accomplishments of charter schools' service to secondary and at-risk students on its website and include links to schools' websites.
- The state will, through the Task Force, examine and research commonalities in best practice among charter schools that are effective in reaching at-risk and/or secondary pupils, and will issue periodic reports on its findings.

Objective 3: Bolster Michigan charter schools' long-term fiscal and operational stability.

Outcome 3.1: 100% of subgrantees will be compliant with state and federal regulatory and reporting requirements, taking into consideration recommendations from West Ed to oversee all grant expenditures more closely. PSA office will hire two addition staff to help with grant monitoring and oversight.

Related Activities:

- The state will award early stage planning grants and later stage implementation grants to developers that propose quality financial and administrative program models and demonstrate the capacity to effectively deliver them. All planning and implementation subgrantees will be required to describe their fiscal accountability procedures as part of the application process.
- 100% of planning and implementation subgrantees will receive high-quality training on state and federal regulatory requirements from recognized service providers, including the timely production of grant-related reports and documents.
- The state will monitor and provide technical assistance to subgrantees with identified areas of noncompliance or concern.
- MDE will continue to conduct Assurances & Verification Site Visits (A&VSV) to Michigan authorizers to ensure appropriate levels of ongoing charter school oversight and provide technical assistance if needed.

Outcome 3.2: The state will ensure charter school boards have the tools they need to effectively manage ESPs.

Related Activities:

- MDE will work with the Task Force, the Michigan Department of Treasury, and other interested parties to help support charter schools in setting expectations and effectively managing ESPs. Written tools and resources, such as those developed by NCSI and MACSB, will be identified and/or developed, distributed and stored in a technical support clearinghouse.
- MDE will continue to conduct A&VSV to Michigan authorizers to ensure appropriate levels of ongoing charter school oversight and provide technical assistance if needed.

- Through its planning and implementation subgrant process, the state will require all subgrantees to describe in detail how they will manage any anticipated ESP relationships.

Outcome 3.3: 100% of charter schools established in Michigan during the grant performance period will demonstrate sound fiscal practices.

Related Activities:

- MDE will monitor all submitted charter contracts to ensure legal and fiscal compliance.
- Through its planning and implementation subgrant process, the state will require all subgrantees to describe in detail how they will manage their fiscal and operational issues, and what training they plan to receive to ensure sound leadership.
- MDE will work with charter schools and authorizers to review fiscal stability of charter schools on an ongoing basis, providing data analysis, technical assistance, site visits and feedback when necessary.
- MDE will host monthly meetings with all planning subgrantees to share common financial/operational issues and concerns. These meetings will allow for information sharing and support, and will serve as professional learning communities for the subgrantees.

Outcome 3.4: The state will recognize and share the financial and operational successes and best practices of Michigan charter schools, and will identify supports for common fiscal challenges, such as facilities.

Related Activities:

- MDE will work with the Task Force, the Michigan Department of Treasury, and other interested parties to help identify and share barriers and supports for charter school fiscal success. It is anticipated that facilities issues will be a significant issue requiring policy and practical attention through this effort. The products of this work will include possible policy recommendations, as well as written tools and resources for charter school leaders. In addition, a

technical support clearinghouse and website including charter school financial/operational best practices will be established.

- MDE will continue to conduct A&VSV to Michigan authorizers to ensure appropriate levels of ongoing charter school fiscal monitoring and oversight and will provide technical assistance if needed.

Objective 4: Provide stronger vehicles for information sharing, training and support among charter schools, and boost communications between charter schools and traditional LEAs.

Outcome 4.1: The state will make dissemination funding available to at least 15 Michigan charter schools in support of research-based best practices.

Related Activities:

- The state will fund dissemination projects that demonstrate proven strategies for improving performance; establish partnerships between high- and low-performing charter schools and/or traditional LEAs, and/or enrich current research involving the improvement of student performance and academic achievement.
- The state will operate at least one dissemination grant award process annually and award a minimum of three dissemination grants each year.
- The state will work with the Task Force and other partner organizations to identify and solicit dissemination projects from qualified charter schools.
- The state will extend the reach - and impact - of charter school dissemination efforts by requiring all dissemination subgrantees to complete the following activities:
 - Staff responsible for implementing and/or researching the practice must present their work at a minimum of two conferences: (i) the annual MAPSA charter schools conference, and (ii) one of the semi-annual conferences hosted by the MDE Office of Education Improvement and Innovation (OEII).

- Staff responsible for the program will document the best practice and post it in a digital or electronic form that provides others that may be interested in the program can replicate it. This ensures appropriate dissemination of effective charter school practices within both the charter and traditional school communities.

- The state will provide dissemination grant writing workshops and one-on-one technical assistance to a minimum of 10 dissemination subgrant applicants each year.

Outcome 4.2: The state will encourage and facilitate strong professional learning communities among all planning and implementation subgrantees.

Related Activities:

- The state will host monthly meetings with all planning subgrantees to share common issues and concerns. These meetings will allow for information sharing and support, and will serve as professional learning communities for these subgrantees.

- The state will develop an e-newsletter, online webcast, and web-based clearinghouse highlighting charter school practices and other valuable resources for subgrantees and other school operators.

- The state will ensure its electronic resources include opportunities for threaded discussions and facilitated Q&A sessions for subgrantees.

- The state will recruit new recognized service providers from the traditional K-12 and higher education sectors, to ensure broad cross-pollination of best practices.

Information/Outreach Activities in Michigan

The state takes extensive care to ensure that the availability of CSP subgrant funds is widely known. Standard methods include the use of web-posting, using MDE's list-serve, distribution lists and field staff assigned to all Michigan schools, relaying information through the hundreds of field-staff employed by the 27 authorizers as liaisons to charter schools, publishing in

MAPSA's electronic newsletter, read by over 2000 people and over 200 charters per week, and announcing the availability of subgrant funds through a letter from MDE to each LEA (including existing charters), thus, reaching more than 600 potential charter school authorizers.

In the future, information about upcoming grant opportunities will be widely disseminated via press release and via personal communication to the Michigan Education Association, the Michigan Federation of Teachers and the Detroit Federation of Teachers, toward increased teacher awareness of the program. Increasing awareness is evident as an increasing number of current and former public school teachers have recently applied for early stage planning grants. Additionally, ads will be published in general circulation newspapers within the state. Michigan has also sent notices to nonprofit education associations and parent organizations across the state.

In addition to its own efforts, the state works closely with its partner organizations to ensure awareness of grant funding opportunities. For example, MAPSA has taken numerous steps to notify the specified groups of the charter school planning subgrant and accompanying training in preparation for the application process. Those steps have included the following:

- Monthly e-newsletter, *The Founder's Source* –subgrant information has been included in approximately 6-8 issues each year.
- Web site – MAPSA continuously updates its web site by adding current information about the upcoming subgrant application round, including links and training opportunities to develop applications through topics such as assessing a community's need for a charter school, the educational program development, the ABC's of the chartering process for Michigan, etc.
- Database e-mail distribution – MAPSA's database currently has around 300 active applicants/founders who are interested in opening a charter school. Each one represents a planning team at varying stages of development. MAPSA utilizes the database to maintain

communication with these groups, including e-mails that are sent out to promote new subgrant application rounds and related information and approaching deadlines for the cycles. MAPSA also uses this mechanism to notify of pertinent information along the way towards the deadlines.

- MAPSA's online learning community – MAPSA currently houses an online learning community for existing subgrantees and those who hope to receive a subgrant in the future. The community serves as a key communication location for these groups, through blog posts, e-mails and training libraries.
- Circulation of Information to Partnering Organizations/Leaders – Throughout the year, MAPSA requests that many of its members and partnering organizations help disseminate the subgrant and training information on MAPSA's behalf. Applicant/ founder groups from around the state contact any number of charter school organizations.
- Weekly e-updates from MAPSA – As described above, every Monday, MAPSA distributes an e-newsletter to its members across the state (charter schools, teachers, school leaders, management companies, authorizers, parents, founders, supporters of movement, etc.). MAPSA posts all training events for applicants/founders in this publication, as well as the planning subgrant application rounds and deadlines.
- Personal touches via phone and e-mail – the entire new school development team makes considerable effort to communicate to groups about upcoming subgrant application rounds, deadlines, training opportunities and other key informational pieces relating to each one.

In addition to the above stated forms of initiating communication about the planning subgrant cycles and training information, MAPSA has a technical assistance program that reaches beyond the initial contact and engages groups through practical training and development of both authorizer and planning subgrant applications.

The state has hosted - and will expand its work with - developer workshops around the state. These will continue and will also be posted online to ensure broadest exposure. The state has also added a new facet to its outreach efforts by researching and connecting with the most successful non-profit developers from around the nation. Letters, follow-up telephone and email contacts have been made to encourage these developers to consider replicating in Michigan.

Application Requirement (ii) How MDE will inform each charter school about federal funds for which it is eligible and federal programs in which the charter school may participate.

Charter schools in Michigan have the status of separate LEAs. As such, they receive information and technical assistance identical to that offered geographically-based school districts. In addition to the activities of MAPSA (mentioned in the previous requirement), each charter school's authorizer serves as an additional source of technical support and information. MCCSA has developed a common master calendar which helps charter school administrators anticipate and prepare for significant activities including federal grant application deadlines and reporting dates.

The formula grant funds under Titles I, II, III, V and VI of the *No Child Left Behind* (NCLB) Act are administered by MDE's Office of Field Services (OFS) for all LEAs. This unit also administers state formula grant funds for at-risk pupils and pupils receiving bilingual education. Each year, OFS staff determines the allocation amounts for each LEA (including charter schools), sends each LEA a Consolidated Application notice listing the allocation for each grant, posts the allocation lists on MDE's website, and loads the allocation amounts into each LEA's Consolidated Application form provided in the Michigan Electronic Grant System (MEGS), the web-based program used to complete and submit grant applications.

The OFS consultants are assigned to regions within the state and are responsible to conduct annual, local application workshops to assist LEAs (including charters) in planning the use of the formula grant funds and completing the Consolidated Application in ways that expedite approval. Charter school attendance at these sessions is high, in part because they are often relatively inexperienced users. OFS staff also develop one-on-one working relationships with each school, so they are able to help anticipate, advise, and respond to issues and concerns as they arise. In conjunction with Michigan's administration of its federal CSP grant funds, a special session of that workshop will also be offered to development teams that are Stage One and Two planning subgrantees, in order to help them think strategically about available funding during their academic and business planning process.

In Michigan, Federal Part B funds are allocated by formula each year to county-size ISDs that play a pivotal role in development and implementation of a plan for delivery for special education in each geographic area that the ISD serves, including the flow-through of federal funding. No funding flows through the ISD to any LEAs or charter schools until the ISD's plan is approved by MDE.

The previously-described methods are also being utilized and expanded where necessary to accommodate the distribution of federal economic stimulus money. Charter schools will be treated and funded in a manner identical to all traditional public schools.

Opportunities to apply for federal and state competitive grant funds are announced through notices to eligible LEAs (including charter schools), posted on MDE's website, and incorporated into MEGS. Every competitive grant program also advertises and holds grant application workshops conducted by staff from the administering office to inform eligible applicants about the purpose, requirements and application procedures for the grant. This

includes the CSP program as well as Migrant and LEP grants, Rural Education Assistance Program (REAP) grants, among others. The CSP program in particular is also heavily publicized through the 27 authorizers (who collectively employ hundreds of field staff assigned to individual charter schools), MAPSA and networks of developers and ESPs.

Application Requirement (iii) How MDE will ensure each charter school in the state receives its 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.

Because charter schools have the status of separate LEAs, they receive their commensurate share of federal and state formula grant funds directly from the granting agency, through the regular allocation formula for each program. MDE follows USDOED guidance to determine a prorated census poverty count for each charter school based on its count of pupils eligible for free breakfast, lunch or milk. This prorated census poverty count is used to determine the Title I, Part A allocation for each charter school, and is also used in formulas for other programs that require census poverty counts.

In Michigan, Federal Part B funds are allocated by formula each year to county-size ISDs, whose locally-derived plans for service are approved by MDE and then govern the reimbursement for the delivery of special education programs in each geographic area that the ISD serves, including the flow-through of federal funding for those services. MDE’s Administrative Rules for Special Education Programs and Services direct and provide guidance to ISDs on the governance of these funds. Rule 340.1808 states that “An intermediate school district, a local school district, or a public school academy operating a program under these rules shall submit to the superintendent of public instruction, at the close of the fiscal year, an itemized report of the actual cost of operating the program.”

Rule 340.1811 (2) states that “if . . . funds are insufficient to reimburse constituent claims in full, then a like percentage of the claim shall be paid for support of each program and service to each constituent district [including charter schools].” The chief executive officer of each charter school in the county is included among the list of signatures required for each plan to be submitted [Rule 340.1835] “signifying their involvement in the development of the intermediate school district plan” and is explicitly listed among those who may file objections to the submitted plan [Rule 340.1836(1)].

MDE’s OFS has developed an annual written procedure for making charter school allocations. Charter schools in Michigan are asked to notify MDE 120 days in advance of the date they are scheduled to open or significantly expand (for Title programs, Michigan defines "significant expansion" as the addition of more than 50 free-eligible pupils as compared to the prior year count). Then, during the first year of opening or significant expansion, these schools submit fall counts of enrolled pupils and pupils eligible for free breakfast, lunch or milk. This information is used to determine allocations of federal and state formula grant funds. Because fall count data is not validated by the pupil accounting system until roughly mid-year, continuing LEAs’ and charter schools’ state aid and federal grant allocations are normally based on blends with previous year counts until they can be adjusted when new information is finalized. To ensure that first-year charter schools’ access to funds is not delayed, MDE conducts a special data-collection submission on count day for first-year charters and any charters adding grades, and uses the charter school-submitted number until final, audited counts permit adjustments. OFS consultants provide technical assistance to new charter schools to help them understand the purpose and requirements of each grant program and to plan appropriate use of the funds.

A new charter school must report the free and reduced lunch count by October 30th of each year. When that count is submitted and audited by MDE's Food and Nutrition Unit, it is used as a factor in an approved formula that is used to calculate the Title I, Part A; and the Title II, Part A allocation. These funds are usually calculated by the end of January and made available to the LEA. The LEA must complete the required plan and applications to apply for federal funding. The LEA can work on these activities in the fall. The earliest obligation date for the federal funds is the beginning of second semester or when the plan and application are submitted. The applications become available when the funding is entered into the system. Paper copies to begin planning are available in the fall.

Section 31a is calculated at the same time and MDE submits the calculation to the State Aid Office. It takes about 60 days for the Section 31a funding to appear in the state aid payment. Section 31a does require an application that must be submitted in MEGS. After the application is submitted, the LEA is required to complete a report by July 15th of each year.

Application Requirement (iv) How MDE will disseminate best practices of charter schools to each local education agency in the state
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MDE defines "best practice" as a practice that meets all three of the following criteria: 1) the practice is based on current research, 2) the practice includes the latest knowledge and technology, and 3) use of the practice has proven successful across diverse student populations.

The state places a strong emphasis on dissemination of public school practices that meet the above-listed criteria. In addition to its work through the CSP program, the state also offers other opportunities for charter schools to have their work recognized, supported and extended through several competitive state-level grant programs and waiver opportunities.

To date, Michigan has transmitted best practices of charter schools to LEAs via: 1) print and electronic information resources, 2) provision of hands-on assistance from technical support

staff, and 3) local and state-level conferences designed to offer high-quality professional development and networking opportunities.

In Michigan, all federal dissemination subgrantees post web resources for sharing information about the practices they recommend. OFS staff assigned to each county and LEA in the state are briefed about promising charter practices in order to ensure referral and transmittal in situations where the practice is applicable. Several MDE publications contain “Promising Practices” sections to which authorizers and charter schools contribute along with their fellow LEA peers.

In recent years, dissemination subgrantees have been invited to speak and exhibit at statewide school improvement conferences, which are attended by charter and traditional public schools alike.

While these conventional means of dissemination will continue, the state hopes to use more novel approaches as well. Beginning in 2011, the state will begin developing a quarterly e-newsletter and webcast link, which will be distributed directly to every LEA, ISD and educational organization in Michigan. These materials will be featured as part of an online clearinghouse that will identify and showcase best practices among charter schools, and offer tips, support, and contact information for organizations that wish to replicate or learn more about the featured practices.

In addition, the state will, through the Task Force, examine and research commonalities in best practice among charter schools that are effective in reaching at-risk and/or secondary pupils, and will issue periodic reports on its findings. The state will also undertake the following specific activities as part of its 2010 - 2015 CSP grant administration:

- The state will fund dissemination projects that demonstrate proven strategies for improving achievement, establish partnerships between high- and low-performing charter schools, or enrich current research about improving student achievement.
- The state, through its use of CSP grant funds, will support and extend the operational performance of schools by providing a more robust body of information to board members and administrators. By providing financial guidelines/medians, written toolkits, and suggested strategies for improvement, the state plans to further strengthen the body of leadership knowledge charter schools have at their disposal and raise the bar on operational performance.
- The state will operate at least one dissemination grant award process annually and award a minimum of three dissemination grants each year.
- The state will work with external evaluators and researchers to complete studies and evaluations of various charter school trends, practices and initiatives. At minimum, the state will work with the CREDO at Stanford University to gather information about the progress of its charter school sector.
- The state will ensure its electronic resources include opportunities for threaded discussions and facilitated Q&A sessions for subgrantees.

Application Requirement (v) is not applicable; Michigan does not propose a loan fund.

Application Requirement (vi) Waivers of statutory or regulatory provisions MDE believes to be necessary for successful charter operation and asks the Secretary to consider.

Project Period

The state of Michigan requests a waiver under the authority of the CSP of Section 5202(c)(1) of the Elementary and Secondary Education Act of 1965 as re-authorized, to enable Michigan's CSP grant to operate under a project period of up to 60 months. This exceeds the current required project period of up to 36 months.

The state believes the additional time is needed to allow for full attainment of all project objectives and allow for effective evaluation and adjustment when necessary.

In addition, it should be noted that Michigan has a history of requesting no-cost extensions for its implementation of the Federal CSP grant, in order to fulfill all objectives. This has been, in large part, due to the limitations on the number of newly authorized charter schools and its three-staged planning grant that left awarded funds unexecuted. For this grant period the third stage from the planning grant will be eliminated, thereby reducing the amount of planning funds that are awarded but increasing execution rates. This initiative, along with the expected increase in early stage planning grant applications will lead to greater budget efficiencies and more funds to disburse amongst more applicants.

Finally, the extended project period is necessary to allow the state to accurately gauge the performance of planning and implementation subgrantees through standardized test scores and other longer-term measures. With the exception of a small number of planning subgrantees with start dates in July or August, the current three-year grant period does not allow adequate time for them to complete the 36 month project period. Besides the obvious improvement in the validity of performance results, the expansion to five years will allow a number of 36 month cycles to be completed and could reduce the number of no-cost extensions required and requested.

This grant application has been developed with the assumption that the waiver will be granted. Thus, the narrative and budget plans contemplate a five-year project period, beginning August 1, 2010 and ending July 31, 2015.

Application Requirement (vii) How charter schools will comply with sections 613(a)(5) and 613(e)(1)(B) of the <i>Individuals with Disabilities Education Act (IDEA)</i>.

Please note that no charter schools in Michigan operate under joint establishment of eligibility provisions, USC 613(e)(1)(B), of IDEA.

Charter public schools are treated as LEAs for the purposes of receipt of all available federal and state funds, and are similarly treated as are all LEAs with regard to compliance with IDEA requirements and regulations.

As has been mentioned earlier, Federal Part B funds are allocated by formula each year to county-size ISDs and then to LEAs (including charter schools) when the ISD's plan is approved by MDE. An eligible plan must include assurance provided to MDE by the ISD that all requirements of IDEA are met by ISD, LEAs and charter schools. According to "Criteria for Intermediate School District Plans for the Delivery of Special Education Programs and Services" dated March 5, 1998, Michigan ISDs must: "Provide a statement of assurance which states that the ISD and LEAs [including charter schools] comply with Section 613(a)(5) which states, 'In carrying out this part with respect to charter schools that are public schools of the local educational agency, the local educational agency: (a) serves children with disabilities attending those schools in the same manner as it serves children with disabilities in its other schools; and (b) provides funds under this part to those schools in the same manner as it provides those funds to its other schools.'" MDE then ensures that the plan's provisions are being met through Program Fiscal Reviews and Monitoring and Enforcement activities.

In 2005, the MDE Office of Special Education and Early Intervention Services (OSE/EIS) and the Office of Early Childhood Education and Family Services (ECE & FS) designed and built a system of processes and technical tools to fulfill both federal and state requirements for the collection and review of special education compliance monitoring data. This system called the Continuous Improvement & Monitoring System (CIMS) is Michigan's model for monitoring both compliance and outcomes for children and students with special needs.

Over the past three years, MDE has worked to bring all LEAs, including charter schools, state schools, state agencies, and center-based programs from Part B as well as service areas from Michigan's *Early On*® into CIMS. With three years of experience and all LEAs participating for at least one round of the CIMS Service Provider Self-Review (SPSR), the timing was ideal to reflect on what was learned, respond to new influences, and determine how to improve productivity and achieve efficiencies in the process.

CIMS-2, which launched in 2009, is the result of 18 months of designing, refining, and improving the CIMS process based on input from Part B and Part C stakeholders including: LEAs, intermediate school districts (ISDs), service areas, parents, and other CIMS users.

Selection Criterion (i) The contribution the grant program will make in assisting educationally disadvantaged and other students to achieve State academic content standards and State student academic achievement standards. (30 pts)

The Michigan Legislature recently added Part 6E to Michigan's Revised School Code that created a new type of charter schools called "Schools of Excellence" (SOEs). These schools can be created two ways. The first way is through the conversion of existing "high-performing" charter schools into SOEs, thereby freeing a charter for future use. This is especially important for university authorizers as they remain capped at 150 of the Part 6A charter schools. Once that conversion takes place, the newly released charter can only be located within the confines of a traditional district with an average graduation rate of less than 75% over the last three year. This initiative permits the universities to expand the number of charters they can authorize, but it compels them to focus on areas with lower than average graduation rates.

The second method for creating a SOE is through the traditional process but with the added caveat that SPI must approve the charter as being patterned after a high-performing school

or program. This added step requires potential authorizers to ensure their SOE applicants meet the criteria of high performing and can provide the evidence to substantiate it.

Additionally, the Mayor of Detroit, the Emergency Financial Manager assigned to the Detroit Public Schools, and a number of philanthropic, non-profit organizations are working together to create large numbers of smaller, autonomous charter schools authorized by the local community colleges, the regional educational support association, and the Detroit Public School district.

Michigan's past experience in awarding early-stage planning grants to charter school developers has paid dividends in allowing the state to recognize and support quality programs with the capacity to deliver strong student results. By strategically awarding early-stage planning grants to only the very highest caliber of charter school developers, the state can help define its expectations for quality among the 74-92 new schools that will be established during the next three to five years.

As part of the application process, subgrantees must agree to receive additional training and support from recognized service providers and to take part in professional learning communities with other charter school developers who are establishing programs.

These activities, coupled with the highly competitive, challenging process of finding an authorizer and securing a charter contract, will help ensure that only the most capable, high-performing charter schools are established in these high-needs areas. In this way, Michigan expects to bolster its service and outreach to at-risk pupils.

This approach is particularly important as new state and federal initiatives take hold, bringing tremendous change to the field of K-12 education in Michigan. To begin, the state is one of 48 that have signed on to the Common Core State Standards Initiative, launched by the

Council of Chief State School Officers and the National Governors Association. New charter school developers will need to demonstrate additional capacity on the front end, and receive additional follow-up training to ensure their preparedness as they build and implement their programs.

The state is also proposing a new incentive funding strategy as part of its administration of federal CSP funds. The state will retain up to 10% of its total grant amount each year to be used as one-time incentive funding for schools that propose implementation programs designed to serve at-risk and/or secondary pupils. Programs that qualify for incentive funding will be required to include the measurement and achievement of minimum levels of student performance which are 5% higher than other schools receiving CSP subgrant funds. See Outcome 2.2 for specific goals.

These performance levels are challenging but attainable, and - for the first time - offer a meaningful lever for academic performance among charter schools that serve at-risk and/or secondary school children. Incentive funds will be distributed twice annually to schools that certify this area of programmatic emphasis, up to a capped per-school amount of \$250,000. One-half of the incentive funding will be paid to qualifying schools, with the second half of incentive funding being paid after the attainment of specified student performance criteria.

The state will also use dissemination strategies to ensure continued dialogue about approaches that are most effective in serving at-risk pupils. The state has already completed initial work in this area, including a robust section in its 2008 Annual Report to the Legislature. In this report, the state included an overview of 52 schools that achieved greater than 60% proficiency in reading and math with student populations comprised of more than 50% of

children eligible for Free and Reduced Lunch. The state identified the following common core strategies among the "beating the odds" schools:

- Utilization of clear, consistent educational approaches
- Effective use of data
- Collaborative staff and school leadership
- Intentional development of school culture
- Consistent approaches to students' non-academic challenges
- Deliberate efforts to engage parents

The state is eager to develop and disseminate toolkits that help all schools replicate and implement these core strategies. The state will work to seed and support dissemination projects in these and other areas that will help support at-risk students in Michigan.

Finally, the state will supplement its ongoing administrative efforts with high-level strategic thinking about charter school quality and performance. The state will assemble a Task Force that will work to define charter school quality in a clearer and more consistent fashion in order to identify improved performance measures, and address barriers to and strategies for charter school success.

Selection Criterion (ii) The degree of flexibility afforded to charter schools under the state's charter school law. (30 pts)

As described in Competitive Priority 4, Michigan charter schools have complete budgetary and administrative flexibility to act in every way as any other public school district. Authorizers act as fiscal agents for the charter schools they charter [MCL 380.507(1)], receive the "foundation grant" state aid funds and are required by law to transfer all but 3% for oversight purposes directly to the charter school. Charter schools receive their own Michigan Education Information System (MEIS) codes, allowing designated representatives to make direct draw-downs on federal formula or competitive grant awards, file their own reports and account for their own uses of the funds.

Statute provides for several kinds of flexibility in the governance and management of Michigan charter schools, most deriving from the ability to engage personnel through management companies. As self-governing public entities, charter schools have the ability to contract with outside providers for the services of instructional and administrative personnel (MCL 380.506), something not permitted for non-charter LEAs (MCL 380.1231). The right of charter schools to contract with teachers was challenged and upheld by Michigan's Attorney General in Opinion #6915. They may also contract for a wide range of other services that may be provided by the more than 25 ESPs doing business in Michigan. This permits a wide variety of employment and compensation practices as well as options with regard to the purchase of educational resources and services. Some ESPs, either directly or indirectly, also construct, lease and maintain facilities for charter school boards. Charter schools choosing to employ their personnel through contract with an ESP are also exempt from participation in the Michigan Public School Employee Retirement System (MPSERS). Choosing to contract with an ESP also exempts a chartered school authorized by a traditional public school district from the statutory requirement in MCL 502(3)(i) that employment terms must match the LEA's collective bargaining agreement. Indeed, almost three quarters of Michigan's charter schools have opted to exercise this flexibility and use ESPs to manage some or all of their operations.

Generally speaking, charter schools are free to locate anywhere within the authorizers' service areas, and for university-chartered schools, that includes the entire state. This flexibility has been important for some charter schools wishing to expand or move across county lines in ways unprecedented by the geographically-defined LEAs that existed prior to 1994. Several charter schools have exercised the option of seeking a different authorizer upon completion of

their first charter contract, and MDE procedures have allowed them to maintain their district/LEA identity through the resulting contract changes.

Selection Criterion (iii) The number of high-quality charter schools to be created in the state. (30 pts)

Michigan expects to increase both quantity and quality of its charter school sector over the period of this five-year grant cycle. The state projects that the number of charter schools will continue to grow - perhaps quite rapidly during the next five years.

In December 2009, the Michigan Legislature passed a package of bills that, among other actions, expanded opportunities for university-authorized charter schools based on quality. Up to 10 new charter schools known as "Schools of Excellence" (SOE) will be created in Michigan and these schools must model an existing high-performing charter school or program. It is noteworthy that the legislation requires the first five of these new schools to be schools offering one or more high school grades and that these new SOE shall be located only in school districts with average graduation rates of less than 75 percent for the most recent three years. Up to two "cyber charters" may also be authorized under this legislation. Additionally, the legislation provided for previously organized charter schools to transition to SOE if they meet the high performing school or program criteria, thereby opening spots for university-authorized charters under the existing legislative cap. It is significant that Michigan has moved the charter school debate away from simply "quantity" and we are focused on "quality".

Using business rules approved by the United States Department of Education (USDOED) for the RTTT, the state is developing lists of the persistently lowest achieving public schools (Lowest 5% Lists), which will likely include about 10 charter schools in this first year. It is expected that the annual Lowest 5% Lists are likely to contain another two or three charter schools every year thereafter. All charter schools on those lists (elementary and high school)

will be closed, thus serving to increase the number of closures expected this year and next. The following new charter opportunities will be available during the next five years:

▪ Vacant Urban High School Academy charters (Detroit only):	.....	10
▪ Likely community college openings (primarily Detroit):	.....	10
▪ Charters available under legislatively-adopted "schools of excellence" model: ...		10
▪ "Cyber-schools" available for charter under new legislation:	.....	2
▪ Existing Charters converting to SOE	.....	10
▪ Charters available if bottom 5% are closed under RTTT	.....	20
▪ Charters available due to other possible closures (statewide):	.....	30
TOTAL POSSIBLE NEW MICHIGAN CHARTER SCHOOLS:	.....	74- 92

These legislative and policy initiatives, coupled with fresh authorizing activity among new and existing authorizers, will result in unprecedented levels of chartering activity. Even with the increased number of charter schools likely to close, it is reasonable to anticipate that the state could experience a 10% to 15% increase in the overall number of charters during the next three or five years. Clearly, federal CSP dollars will be of tremendous benefit to the state as it seeks to help balance this new growth against the ongoing need for quality. The state has developed plans for using these funds in ways that will continue its strategic approach to boosting overall charter performance.

Selection Criterion (iv) The quality of the management plan for the proposed project. (30 pts)

Responsibility for the grant program lies within OEII, the arm of MDE responsible for supporting schools' efforts toward improving student academic achievement. This ensures easy access on behalf of charter schools to colleagues with responsibility for curriculum development, assistance to English Language Learners and migrant students, and Michigan's school improvement initiatives.

Management Plan

Activity	Assigned To	Timeline	Milestones	Supported Objectives/ Outcomes
Planning and Implementation Grant Management				
Support successful charter school developers with implementation grants of at least \$400,000 over two years.	-MDE (PSAP)	Ongoing	74-92 developers will receive implementation grants over five-year period	1.1
Award early stage planning grants of up to \$110,000 to high-quality developers	-MDE (PSAP)	Ongoing	20 subgrants per year	1.2
Work to recruit high-quality charter school developers with proven programs from across the nation.	-MDE (PSAP) - Public, Private and Non-Profit Partners	Ongoing	At least 10 new high-quality programs will be developed	1.1
Require planning/ implementation subgrant applicants to describe their fiscal/operational/ accountability procedures and plans for managing ESP relationships, as well as their plans to obtain necessary training to ensure sound leadership	-MDE (PSAP)	Ongoing	New application materials/forms developed by 8/31/2010	3.1 3.2 3.3
Award priority points to planning subgrant applicants that propose to serve at-risk or secondary populations	-MDE (PSAP)	Ongoing	Develop scoring rubric by 8/31/2010	2.1
Provide high-quality training on how to write quality charter applications and connect with resources, as well as state and federal regulatory reporting requirements and other development issues	-MDE (PSAP) -Service Providers -Subgrantees	Quarterly	100% participation among subgrantees	1.2 3.1
Host monthly meetings with all planning subgrantees to share common issues and concerns.	-MDE (PSAP) -Service Providers -Subgrantees	Monthly	100% participation among subgrantees	1.3 2.2 3.3 4.3

Activity	Assigned To	Timeline	Milestones	Supported Objectives/ Outcomes
Incentive Funding Program				
Retain up to 10% of total grant amount each year to be used as one-time incentive funding for schools that propose implementation programs designed to serve secondary or at-risk pupils.	MDE (PSAP)	Ongoing	Establish documentation, related materials by 8/31/2010	2.1
Monitor qualifying programs to ensure they include assessment and evaluation plans & programs to measure and achieve minimum levels of student achievement that are 5% higher than the standard measures.	MDE (PSAP)	Ongoing	Review and report on results annually by 6/30	1.1 2.2
Award funding in two segments, one-half up front and the second half after the attainment of specified student performance criteria.	MDE (PSAP)	Ongoing	Review and report on results annually by 6/30	2.1
Dissemination Grant Program Management				
Monitor dissemination subgrantees to ensure they complete the following activities: <ul style="list-style-type: none"> ▪ Staff presentations at a minimum of two conferences ▪ A report is created and made available to interested parties that may consider or desire replication 	MDE (PSAP)	Ongoing	Review and report on results annually by 6/30	4.1
Fund dissemination projects that demonstrate proven strategies for improving achievement, establish partnerships between high- and low-performing charter schools and/or traditional LEAs, or enrich current research about improving student achievement.	MDE (PSAP)	Annually	-Develop initial announcement and materials by 8/30/2010 -Award at least three grants each year	4.1

Activity	Assigned To	Timeline	Milestones	Supported Objectives/ Outcomes
Give funding priority to dissemination grant projects that propose: (i) proven techniques for improving student achievement in secondary schools, (ii) research projects that examine the effectiveness of innovative practice in charter schools that demonstrate success among secondary or at-risk pupils, or (iii) partnerships between high performing secondary charter schools and charter schools working to improve secondary school achievement.	MDE (PSAP)	Ongoing, per application release	Award at least one grant in this category each year	2.5
Provide dissemination grant writing workshops and one on one technical assistance for subgrant applicants	-MDE (PSAP) -Service providers	Annually, per application release	10 applicants each year	4.1
Develop and distribute written information, tools and resources to charter school developers.	-MDE (PSAP) -Service Providers	Ongoing	Compilation & development complete by 12/31/2010	1.1 3.2
CSP Promotion/Outreach				
Send subgrant announcement/ recruitment letters	-MDE (PSAP) -Partner organizations	Ongoing, per application release/update	Initial drafts complete by 8/31/2010	1.1
Conduct field staff reminders/training	MDE (PSAP)	Quarterly	All field staff trained by 12/31/2010, with updates to follow	1.1
Ensure electronic posting and distribution of grant materials	MDE (PSAP)	Ongoing, per application release/update	Initial drafts complete by 8/31/2010	1.1
Develop of advertising, press releases, and media packets	MDE (PSAP, Office of Superintendent)	Ongoing, per application release/update	Initial drafts complete by 8/31/2010	1.1

Activity	Assigned To	Timeline	Milestones	Supported Objectives/ Outcomes
Conduct and/or participate in state and regional workshops to inform interested school developers about available chartering opportunities and CSP funding.	-MDE (PSAP) -Partner organizations	Quarterly, at minimum	100 participants annually	1.1
Monitoring and Technical Assistance				
Conduct Assurances and Verification site visits to Michigan authorizers to ensure appropriate levels of ongoing charter school oversight and provide technical assistance if needed.	-MDE (PSAP)	Quarterly	Approximately 2 authorizer visits per quarter, with all 27 visited by 12/31/2013	3.1 3.2 3.3 3.4
Monitor all submitted charter contracts to ensure legal and financial compliance.	-MDE (PSAP)	Ongoing	Ensure contract reviews take no longer than ten days following authorizer submission	3.3
Monitor subgrantees' student achievement goals annually, providing data analysis, technical assistance, site visits and feedback when necessary. Ensure AYP, state report card and 3% growth objectives are met each year.	-MDE (OEII, Office of Educational Assessment & Accountability)	Ongoing, with results reported by 6/30 each year	Review and report on progress for 100% of subgrantees	1.3 2.2 2.3
Monitor subgrantees' fiscal stability annually, providing data analysis, technical assistance, site visits and feedback when necessary.	-MDE (OEII, Office of State Aid/School Finance)	Ongoing, with results reported by 6/30 each year	Review and report on progress for 100% of subgrantees	3.3
Monitor and provide technical assistance to subgrantees with identified areas of noncompliance or concern.	-MDE (all)	Ongoing	Review and report on progress for 100% of subgrantees	3.1

Activity	Assigned To	Timeline	Milestones	Supported Objectives/ Outcomes
Work in partnership with charter school authorizers and recognized service providers to ensure timely, accurate submission of all documentation and data from funded charter schools.	-MDE (OEII)	Ongoing	Review and report on progress for 100% of subgrantees	3.1
Charter School Performance Task Force				
Assemble representatives of the charter community, as well as those from the private, non-profit and foundation communities	-MDE (PSAP)	Quarterly meetings through end of five-year grant period	Task force seated by 12/31/2010	2.4 4.2
Help support charter schools in setting expectations for and effectively managing education service providers (ESPs).	-MDE (PSAP) -Task Force -MI Dept of Treasury -Other interested parties	Ongoing	Tools and resources identified and/or developed by 12/31/2011	3.2
Help identify and share barriers and supports for charter school fiscal success.	-MDE (PSAP) -Task Force -MI Dept of Treasury -Other interested parties	Ongoing	Tools and resources identified and/or developed by 12/31/2011	3.4
Identify barriers to and strategies for high school success and develop a framework and recommendations for boosting high school achievement.	-MDE (PSAP & High School Core Team) -Task Force -Other interested parties	Ongoing	Policy suggestions and framework finalized by 12/31/2012	2.4
Establish quality standards for charter schools and issue periodic reports holding all Michigan charter schools accountable for meeting those standards.	-MDE (PSAP) -Task Force -Other interested parties	Ongoing through first two years of grant period	Standards complete by 12/31/2011, reports issued by 12/31 of each year thereafter	4.2

Activity	Assigned To	Timeline	Milestones	Supported Objectives/ Outcomes
Identify and solicit dissemination projects from qualified charter schools.	-MDE (PSAP) -Task Force -Other interested parties (private, nonprofit and/or foundations)	Ongoing through five years of the grant period	At least 10 applicants identified each year	4.1
Explore methods for effectively examining and comparing charter school performance.	-MDE (PSAP) -Task Force -External evaluators -Researchers	Ongoing through first two years of grant period	Complete by 12/31/2011	4.2
Examine and research commonalities in best practice among charter schools that are effective in reaching secondary and at-risk pupils, and will issue periodic reports on its findings.	-MDE (PSAP) -Task Force -Other interested parties	Ongoing	First report complete by 12/31/2012 and issued annually thereafter	2.5
Establish/maintain technical support clearinghouse and website	-MDE (PSAP) -Service Providers	Ongoing	Develop & launch prototype by 7/31/2011	3.4
Develop an e-newsletter, online webcast, and web-based clearinghouse highlighting charter school practices and other valuable resources for subgrantees and other school operators.	-MDE (PSAP)	Ongoing	Develop and launch by 12/31/2010	4.3
Ensure electronic resources include opportunities for threaded discussions and facilitated Q&A sessions for subgrantees	-MDE (PSAP)	Ongoing	Develop & launch prototype by 7/31/2011	4.3
Highlight the accomplishments of charter schools' service to secondary and at-risk students on MDE website and include links to schools' websites	-MDE (PSAP)	Ongoing	Develop and launch by 12/31/2010	2.5

Activity	Assigned To	Timeline	Milestones	Supported Objectives/ Outcomes
Other Activities				
Recruit new recognized service providers from the traditional K-12 and higher education sectors, to ensure broad cross-pollination of best practices.	-MDE (PSAP)	Ongoing	At least one new service provider each year	1.2 4.3
Include in annual legislative report a two-page summary of each charter school's performance, compliance, administrative and financial data, and note any outstanding areas of regulatory noncompliance.	-MDE (PSAP) -State Board of Education	Annually	Report issued by 12/31 of each year	3.1
Work with external evaluators and researchers to complete studies and evaluations of various charter school trends, practices and initiatives. At minimum, the state will work with the CREDO at Stanford University to gather information about the progress of its charter school sector. Other research opportunities will be explored and undertaken as they become available.	-MDE (PSAP) -CREDO @ Stanford University -Bettie Landauer-Menchik, Michigan State University -Researchers -Other evaluators	Ongoing	-CREDO effort engaged by 12/31/2010 -Bettie Landauer-Menchik reports submitted by 3/31, 9/30 and 12/31 of each year -One new initiative/review each year	4.2

Day-to-day management of the grant program is carried out by the four-person staff of MDE's Public School Academies Program (PSAP). A manager provides liaison to other parts of MDE, the legislature, partner organizations, authorizers, current and potential developers and other charter constituencies. A consultant makes ongoing program determinations, conducts desk and on-site audits and manages grantee communications. An analyst manages and maintains databases and generates accountability tracking reports. A professional support

staffer maintains MDE’s contract files and serves as first contact point for charter school questions and issues. Resumes’ for these staff persons are attached as part of Appendix C.

Three additional contractors provide grant monitoring and project support on an ongoing basis. Their resumes’ also are provided in Appendix C. In anticipation of the added requirements generated from the new RTTT legislation, MDE has requested and the Legislature has approved the addition of two new consultant positions to the PSAP with the expectation that these two additional employees will also support new charter school related initiatives within the CSP and school improvement initiatives.

Selection Criterion (v) The plan used by state to monitor and hold accountable authorized chartering agencies. (30 pts)

Michigan's charter school law is very descriptive in terms of what the state expects from an authorizer, starting with the framework and checklists for a performance contract between the authorizer’s Board of Trustees and the Academy Board. Michigan law explicitly states that authorizers are responsible to ensure that public school academies they authorize follow local, state and federal laws. The assurances and verification system also promulgated by MDE asks authorizers to “assure” the state how they oversee eighteen critical factors previously listed.

Failure of an authorizer to ensure compliance is subject to direct sanction from the SPI. The law also requires MDE to publish a report annually that describes the performance of charter schools within Michigan. This report is often referenced in media reports and other documents produced by charter school stakeholders in Michigan.

Additionally, the recent RTTT legislation passed in Michigan required the SPI to develop federally-approved business rules for the creation of a “Lowest 5% List.” Generally speaking, this list identifies the lowest performing 5% of all public schools in Michigan and then requires those schools to go through one of the four approved school transformation models. Charter

schools are treated differently. When a charter school shows up on the list, the SPI is required to create and distribute a letter to that charter school's authorizer directing them to close the school.

Selection Criterion (vi) The quality of the dissemination activities (15 pts) and the likelihood that those activities will improve student academic achievement. (15 pts)

- Michigan's dissemination grant programs focus is on the quality and academic value of disseminated practices. In response to recommendations from West Ed, the dissemination grant application announcement requires a detailed response to the Section 5204 (b) (4 and 5) statutory requirements and emphasizes practices which improve academic achievement.

Michigan's dissemination grant program has evolved in deliberate response to the additional focus and emphasis on academic achievement, performance and quality of dissemination activities. First, this program does not ask eligible applicants to tell us what evidence they have that the practice they are proposing to disseminate is exemplary; rather, the state defines "success," makes that definition explicitly academic and pre-determines it based on data available to MDE. Only charter schools achieving at least 70% student proficiency on both reading and mathematics on MEAP/MME tests and demonstrating operational/financial stability will be invited to apply. What applicants are invited to do is to propose their own hypothesis about what contributes to that success and build on that in one of three ways.

Second, rather than ask each applicant charter school to invent its own (likely local) dissemination strategy, Michigan's dissemination grant program takes advantage of the OEII's popular statewide School Improvement Conference, and its expanding Best Practices segment to provide a shared platform that commands much more exposure to all LEAs in the state than any individual applicant could assemble individually. By standardizing the venue, the program shifts the applicants' funding focus to assembling high-quality, data-based evidence. Further, by asking applicants to partner with external, university-quality researchers and by providing a

matching mechanism for researchers and potential applicants to meet each other, the state proposes to significantly raise the bar for what constitutes evidence for a claim for “best practice” among the educational practitioner learning community.

Third, bonus preference points assigned to the various types of dissemination grants are designed to target practices that are most hungrily sought by schools struggling to improve student achievement – i.e., those succeeding with economically disadvantaged student populations and those serving secondary schools.

Finally, each kind of dissemination grant includes a different type of benefit to the applicant/disseminating charter school: the state believes that uses specified in USC Section 5204(f)(6)(B)(i), (ii) and (iv) provide more benefit to grantees than does the use in section (iii) under which we operated the program in previous cycles. Specifically, Mentorship dissemination grants under section (i) “assist other individuals with the planning and start-up of one ... new school” and offer the benefit of opening a route toward replication of a charter school’s model. High School Design dissemination grants, under section (ii) “develop partnerships ... designed to improve student academic achievement in each of the schools participating in the partnership” are intended to include not only transfer of existing practice to the less experienced partner, but also shared learning experiences in which the more experienced partner extends its own practice as well. And finally, Evaluation dissemination grants under section (iv) “conduct evaluations ... that document successful practices” will yield publishable research to support an applicant charter’s asserted achievements.

Michigan also has other dissemination strategies in mind to ensure that the best practices of charter schools can find their way into traditional LEAs as well. All federal dissemination subgrantees are required to post web resources for sharing information about the practices they

recommend. MDE’s OFS staff assigned to each county and LEA in the state are briefed about promising charter practices in order to ensure referral and transmittal in situations where the practice is applicable. Several MDE publications contain “Promising Practices” sections to which authorizers and charter schools contribute along with their LEA peers.

In recent years, dissemination subgrantees have been invited to speak and exhibit at statewide education conferences, which are attended by charter and traditional schools alike.

While these conventional means of dissemination will continue, the state will begin in 2011 with the development of a quarterly e-newsletter and webcast link, which will be distributed directly to every LEA, ISD and educational organization in Michigan. These materials will be featured as part of an online clearinghouse that will showcase best practices among charter schools, and offer tips, support, and contact information for organizations that wish to replicate or learn more about the featured practices.

Selection Criterion (vii) The quality of the evaluation to be conducted of the proposed project. (30 pts)
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The following pages refer to a simple “logic model” to relate Objectives and Activities from the Management Plan (see pages 42-49) to expected short, medium and long range outcomes. Using this model allows assessments and evaluations to be conducted at each step of the process.

The evaluation plan to be implemented requires the collection and reporting of data related to specific performance measures, which are tied to program objectives. Some evaluation activities will be conducted internally by the state and validated by an external evaluator, while others will be conducted entirely by the external evaluator.

Internal Evaluation Activities

To evaluate its effectiveness during the 2010 - 2015 grant cycle, PSAP will establish an annual internal evaluation calendar that includes periodic (March, September and December), reviews of grant-related records and materials. Findings will be submitted to the external evaluator for verification. MDE will:

- Review MDE charter school contract files and track the number of charter schools established and authorized in each year of the grant. Outcome 1.1 specifies that the number of charter schools will increase from 240 to 282 by July 31, 2015, with 35 of these new schools located in Detroit, and that 100% of these schools will benefit from implementation grant funds.
- Review its grant files and tracking database to determine the number of early-stage planning grants awarded. Outcome 1.2 targets approximately 100 grants to Michigan's strong developers (an average of 20 per year).
- Work with OEAA to determine the percentage of charter school students who are proficient on both state reading and math assessments. According to Outcome 2.3, this number should increase by 3% annually. The state will report on these results by June 30th of each year.
- Monitor the contracts and results of subgrant funding recipients to ensure that they have set and achieved targeted student achievement levels (which, again, are 5% higher for recipients of incentive funding). An annual report on these results is to be provided by August 30th of each year, pursuant to Outcomes 1.3, 2.2, and 2.3.
- Work with MDE's Office of Educational Assessment and Accountability (OEAA) to determine the number of charter schools that made AYP and met or exceeded state-level

performance criteria during each year of the grant period. According to Outcome 1.3, 100% of new charter schools will achieve these standards.

- Review its grant files to ensure that priority and incentive funding were provided to programs that serve at-risk and/or secondary students (Outcome 2.1). Ensure that scoring rubric and materials necessary to document this outcome were developed by 8/31/2010.
- Review authorizer records to by conducting two visits per quarter with all authorizers reviewed and completed by 12/31/2013.
- Review charter contract records to determine timely review and feedback pertaining to legal and fiscal compliance (Outcome 3.3) within ten days of receipt.
- Review dissemination grant records to ensure that the state is conducting at least one dissemination grant award process annually and awarding a minimum of three dissemination grants each year (Outcome 4.1).
- Review its dissemination grant files to ensure that grant priority and incentive funding were provided to specified program types (Outcome 2.5), and that at least one grant in this category was awarded each year. Ensure that scoring rubric and materials necessary for documenting this outcome were developed by 8/31/2010.
- Review correspondence and documentation to ensure that external evaluators/ researchers have completed appropriate studies and evaluations of Michigan's charter sector, beginning with the CREDO/Stanford University effort to be engaged by 12/31/2010. Ensure external evaluator reports are submitted by March 31st, September 31st and December 31st of each year, and that one new research initiative/review is engaged in each year of the grant (Outcome 4.2).
- Ensure the annual legislative report includes performance and compliance summaries for each charter school are issued by December 31st of each year, as stated in Outcome 3.1.

INPUTS	ACTIVITIES	OUTPUTS	SHORT TERM OUTCOMES	MEDIUM TERM OUTCOMES	LONG TERM OUTCOMES
CSP Funding Staff Contractors Partners Researchers Practitioners Authorizers Peer Reviewers Time Materials Equipment & Technology	<p>Planning and Implementation Subgrant Program</p> <p>Incentive Funding Program</p> <p>Dissemination Subgrant Program</p> <p>CSP Promotion and Outreach</p> <p>Monitoring and Technical Assistance</p> <p>Charter School Performance Task Force</p> <p>Technology Development</p> <p>Service Provider Recruitment</p> <p>Compliance Reporting</p> <p>External Evaluations & Research</p>	<p># OF: P&I Grants Made (With # Made to Secondary Programs and # Made to New National Developers)</p> <p>Incentive Funds Awarded and Achievement Goals Attained</p> <p>Dissemination Grants Made (With # Made to Secondary Programs)</p> <p>Best Practices Identified, Shared and Replicated</p> <p>Publicity and Marketing Activities</p> <p>Monitoring Reports and Results</p> <p>Applicant Workshops & Attendees</p> <p>Subgrantee Learning Sessions & Attendees</p> <p>Charter School Performance Task Force Meetings, Reports</p> <p>Technology Resources Developed</p> <p>Service Providers Recruited</p> <p>Compliance Reports Completed</p> <p>Evaluation and Research Studies</p>	<p>Increase number of Michigan charter schools</p> <p>Provide greater choice to students in secondary grades and urban areas</p> <p>Increase knowledge of best practices, particularly regarding finance and operations</p> <p>Boost familiarity with CSP program</p> <p>Provide more hands-on training and feedback to charter school leaders and monitoring of results</p> <p>Increase public awareness of quality standards, performance and compliance</p> <p>Develop sound research models and methods of comparison</p> <p>Develop instant technology resources and support for charter schools</p> <p>Broaden the number of innovators and leaders in Michigan's charter sector</p> <p>Develop a cadre of thinkers about charter school performance and quality</p>	<p>Increase number and sustainability of Michigan charter schools</p> <p>Ensure viability of programs for secondary and at-risk pupils</p> <p>Ensure effective implementation of best practices, particularly in the areas of finance and operations</p> <p>Use charter school results to drive programming and effect change, both within sector and across K-12</p> <p>Use research to support charter school results and compare not only across Michigan, but nationally</p> <p>Build technology resources and broaden utilization</p> <p>Support public dialogue about what's working and what can be changed to improve Michigan's charter sector</p> <p>Continue to foster demand for excellent charter schools</p>	<p>More high-quality charter schools in Michigan, particularly in Detroit</p> <p>Improved student achievement in Michigan charter schools, particularly among secondary and at-risk pupils</p> <p>Greater fiscal and operational stability among Michigan charter schools</p> <p>Stronger vehicles for information sharing, training and support among charter schools, and greater communications between charter schools and traditional LEAs</p>

External Evaluation Activities

An external evaluator will also be used to assess MDE's effectiveness during the 2010 - 2015 grant cycle. MDE's PSAP will contract with Bettie Landauer-Menchik, Director of Data Services at Michigan State University, whose resume is included in Appendix C of this document, for ongoing review and reporting of the state's progress toward its grant objectives. The state will also contract with the nationally recognized Education Policy Center (EPC) (www.epc.msu.edu) at Michigan State University to expand its program of research on charter schools in Michigan. EPC disseminates research throughout the state of Michigan through a variety of publications, reports and seminars held for state policy makers, including the Legislature. EPC will partner with CREDO (Center for Research on Education Outcomes) of Stanford University to compare student achievement in the state's charter schools. As part of the external evaluation, all of the following will be reviewed:

- The state's efforts to work with leaders from the public, private and non-profit sectors to recruit high-quality developers with proven programs from across the nation will be assessed. Using interviews and a review of written documentation, the evaluator will determine the effectiveness of the state's recruitment efforts and verify that at least 10 new, high-quality charter schools have been developed as a direct result, as specified in Outcome 1.1.
- The effectiveness of monthly meetings of planning subgrantees for the sharing of common issues and concerns will be evaluated. Participant feedback, agendas, and attendance records will be reviewed pursuant to Outcomes 1.3, 2.2, and 3.3.
- The quality of the state's efforts to provide quarterly workshops and training to subgrantees will be reviewed using participant feedback and attendance records. According to Outcomes 1.2 and 3.1, all planning subgrantees will participate in these learning opportunities.

- The evaluator will review the data analysis, technical assistance and feedback associated with the state's monitoring of subgrantees' student achievement goals to determine efficacy, pursuant to Outcome 1.3.

- The evaluator will determine the effectiveness of the state's efforts to ensure that all subgrantees are compliant with state/federal regulatory requirements, pursuant to Outcome 3.1.

- The work of the Task Force will be assessed to determine if it has been seated by 12/31/2010 and is working toward its objectives. Meeting minutes, member feedback, and reports/recommendations will be evaluated to determine if the Task Force is meeting quarterly, at minimum, and helping accomplish all of the following grant objectives:

- Establish quality standards for charter schools by December 31, 2011 (Outcome 4.2) and, by December 31st of each year thereafter, issue periodic reports holding all Michigan charter schools accountable for meeting those standards.

- Develop and explore methods for effectively examining and comparing charter school performance (Outcome 4.2). Recommended strategies to be completed by 12/31/2011.

- Examine and research commonalities in best practice among charter schools that are effective in reaching at-risk and/or secondary pupils, and issue periodic reports on its findings (Outcome 2.5). The first annual Task Force report will be completed by 12/31/2012.

- Help support charter schools in setting expectations for and effectively managing ESPs (Outcome 3.2). Necessary tools and resources are available by 12/31/2011.

- Identify and share barriers and supports for charter school fiscal success (Outcome 3.4). Necessary tools and resources are available by 12/31/2011.

- Help identify and solicit as many dissemination projects from qualified charter schools each year (Outcome 4.1).

- The state's efforts to recognize and share the research-based best practices of schools that demonstrate measurably improved performance among at-risk and/or secondary pupils will be evaluated, by studying all of the following data:

- The state's grant records, which will indicate if the state has given funding priority to dissemination grant projects that propose: (i) proven techniques for improving student achievement in secondary schools, (ii) research projects that examine the effectiveness of innovative practice in charter schools that demonstrate success among at-risk and/or secondary pupils, or (iii) partnerships between high performing secondary charter schools and other charter schools working to improve secondary school achievement. According to Outcome 2.5, at least five dissemination grants in this area will be awarded, one in each year of the grant.

- The state's website, which will highlight the accomplishments of charter schools' service to at-risk and/or secondary students and include links to schools' websites (Outcome 2.5). This technology will be launched by 12/31/2010.

- Validate the state's efforts to ensure that planning and implementation subgrant applicants are required to describe their fiscal accountability procedures, ESP management plans, and plans to obtain necessary training as part of the application process (Outcomes 3.1, 3.2, and 3.3). Ensure materials and forms related to these outcomes are available for use by 8/31/2010.

- Determine the efficacy of the state's efforts to work in partnership with charter school authorizers and recognized service providers to ensure timely, accurate submission of all documentation and data from funded charter schools by reviewing feedback from schools, authorizers, service providers and regulating agencies (Outcome 3.1).

- Determine the effectiveness of the state's efforts to provide technical assistance to subgrantees with identified areas of noncompliance or concern. Data to support this evaluation

will be gathered by obtaining authorizer, charter school and state agency feedback (Outcome 3.1). Ensure that monitoring and progress reports are prepared for 100% of subgrantees.

- Assess the utility of tools for supporting charter school board members in setting expectations for and effectively managing ESPs by reviewing written tools and resources and obtaining board member feedback (Outcome 3.2).

- Review MDE's work with authorizers and others to review fiscal stability of charter schools, using feedback and documentation to determine utility and value (Outcome 3.3).

Ensure all subgrantees are monitored and that necessary progress reports are completed.

- Review MDE's dissemination grant records to ensure the state is funding projects that demonstrate proven strategies for improving achievement, establishing partnerships between high- and low-performing schools and/or traditional LEAs, or enriching current research about improving student achievement (Outcome 4.1).

- Review grant records and gather feedback to determine the effectiveness of state efforts to identify and solicit dissemination projects from qualified charter schools (Outcome 4.1).

- Review grant records, documentation, feedback and correspondence to determine the effectiveness of the state's efforts to complete studies and evaluations of various charter school trends, practices and initiatives in Michigan (Outcome 4.2).

- Using feedback from the field and available documentation, assess the effectiveness of state efforts to recruit new recognized service providers from the traditional K-12 and higher education sectors (Outcomes 1.2 and 4.2).

- Review user feedback to determine the utility and effectiveness of the state's e-newsletter, online webcast, and web-based clearinghouse of charter school resources, which is slated for launch by 12/31/2010 (Outcome 4.2).

- Review and determine the effectiveness of the state's information and outreach activities in promoting the CSP grant program, using outreach documents, training materials, media articles and advertisements, and applicant feedback. Ensure target dates and participation levels are achieved, as specified in the action plan.

- Review user feedback to ascertain the effectiveness of the state's technical support clearinghouse and website, which is to be developed and launched by 7/31/2011 (Outcome 3.4).

Evaluator reports will assess progress and likelihood of completion for each of the benchmarks and activities in the management plan and recommend any adjustments that seem warranted.

ENDNOTES

¹ Wilkinson, Mike (2009). "Nearly half of Detroit's workers are unemployed." Detroit, MI: The Detroit News. December 16, 2009.

² Williams, Corey (2009). "Education Secretary: Detroit Schools 'Ground Zero.'" Associated Press, May 13, 2009. Downloaded from ABCnews.com on January 21, 2010.

³ The Detroit News, January 16, 2007

⁴ Dawsey, Chastity Pratt; Walsh-Sarnecki, Peggy; and Higgins, Lori (2009). "23 Detroit Schools Face Closure. Detroit, MI: The Detroit Free Press, April 9, 2009.

⁵ Central Michigan University (2009). "15 Years of Transforming Public Education." Mt. Pleasant, MI: Central Michigan University.

⁶ "State by State #s" (2010). Downloaded from the National Charter Schools Resource Project website, January 21, 2010.

⁷ "Top 10 Charter Communities by Market Share" (2009). Washington, DC: National Alliance for Public Charter Schools.

⁸ Michigan Department of Education (2009). 2008 Public School Academy Report to the Legislature. Lansing, MI: Michigan Department of Education.

Project Narrative

Other Attachment Form

Attachment 1:

Title: Pages: **0** Uploaded File: **S:\Grants Office\Work Area\Grant Programs\Federal Grants\Charter School (84.282A)\10-11\Application\Final Docs\Appendices to Charter Grant.pdf**

Budget Narrative

Budget Narrative Attachment Form

Attachment 1:

Title: Pages: **0** Uploaded File: **S:\Grants Office\Work Area\Grant Programs\Federal Grants\Charter School (84.282A)\10-11\Application\Final Docs\Michigan budget narrative.doc**

State of Michigan (Michigan Department of Education)
CSP Grant Budget Narrative

Personnel (Line 1) and Fringe Benefits (Line 2) – These lines reflect the approximate cost of portions of five staff at the manager/consultant/specialist/analyst level and one staff at the support staff level (this equates to 2.19 FTE) to carry out the planned implementation of the charter school grant program in Michigan. This includes soliciting and evaluating sub-grantee applications, oversight and monitoring of grantees, and work with authorizers as described in Application Requirement (i) section of the Project Narrative. It remains constant over the five year period.

Travel (Line 3) – This line includes the approximate cost of staff travel necessary to carry out the activities within Michigan, and to participate in national-level conferences hosted by USDOED, NACSA and the National Alliance for Public Charter Schools. It remains constant over the five year period.

Equipment (Line 4) – This line includes the cost of rent and equipping offices at the Michigan Department of Education for the personnel noted above. It remains constant over the five year period.

Supplies (Line 5) – This line is an estimate of office supplies and materials required to carry out the activities described in the Project Narrative. It remains constant over the five year period.

Contractual (Line 6) – MDE will use portions of the administrative funds available through the grant to purchase contractual services from partner organizations collaborating in the overall state strategy. Funds represent estimated amounts needed to support:

Year 1	Year 2	Year 3	Year 4	Year 5
46,000	46,030	50,000	50,000	50,031

Evaluation of the grant program – Michigan State University, Education Policy Center (EPC)
MDE will select by RFP an evaluator to perform independent analysis of progress toward the objectives and performance measures listed in the evaluation plan described on page 56-60.

30,000	14,000	14,000	14,000	14,000
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Evaluation of the grant program – Center for Research on Education Outcomes (CREDO)

MDE will contract with Education Policy Center (EPC) who will partner with CREDO (Center for Research on Education Outcomes) of Stanford University to compare student achievement in the state’s charter schools as described on page 56.

29,525 29,525 29,525 29,525 29,525

Auditor fees

Operations of Michigan’s Charter School Grant program are regularly examined as part of the Michigan Department of Education’s annual single audit, and this line item pays for the CSP’s share of auditor expenses.

13,332 13,332 13,332 13,332 13,332

Electronic grant application (MEGS)

This line will be used to purchase annual use of the Michigan Electronic Grants System (MEGS) utilized in administration of the Charter School Grant Program.

Construction (Line 7) – No construction is proposed

Other (Line 8) – This line includes our projection of grant funds to be sub-granted over the course of the five years.

The State of Michigan plans to execute the five year Charter School Planning, Implementation and Dissemination Grant in accordance with the iteration map detailed below. The frequencies of the awards are identified along with the grant totals.

- The Planning Grants will be issued in two stages totaling \$110,000. Stage one will be \$35,000 and stage two will be \$75,000.
- The Implementation Grants will be issued in one stage totaling \$200,000 for each year.
- The Implementation Grant Bonuses may be issued in two stages totaling \$250,000. Stage one will be \$125,000 and stage two will be \$125,000.
- The Dissemination Grants will be issued in one stage totaling up to \$100,000.

Planning Grants will be issued at a rate of about 21 per year for a total of 105 over the life of the project. Year 1 Implementation Grants will be issued to charter holders at a rate of about 10 a year

over the life of the project. Year 2 Implementation grants will be issued to charter holders at a rate of about 10 a year over the life of the project. A minimum of three Dissemination Grants will be issued each year. Additional funding for Planning Grants and Dissemination Grants in year two through five will come from obligated Implementation bonus funds from the previous year.

	Year to Year Iteration Map					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Planning	28	20	19	19	19	105
Implementation Year #1	8	11	11	10	10	50
Bonus	5	9	8	8	8	38
Implementation Year #2	8	11	11	11	10	51
Bonus	5	8	9	8	8	38
Dissemination	3	3	3	3	3	15

Indirect Costs (Line 10) – This line is calculated at Michigan’s approved indirect rate of 10.2% of Personnel, Fringes, Travel, Supplies and Contractual expenses for each year.

Section B is not applicable.