

U.S. Department of Education

Washington, D.C. 20202-5335



APPLICATION FOR GRANTS UNDER THE

**2011 CSP 84.282A (SEA) APPLICATIONS
CFDA # 84.282A
PR/Award # U282A110010
Grants.gov Tracking#: GRANT10829968**

Closing Date: MAR 18, 2011

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

Application for Federal Assistance SF-424

Version 02

*** 1. Type of Submission:**

- Preapplication
- Application
- Changed/Corrected Application

*** 2. Type of Application:**

- New
- Continuation
- Revision

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

*** Other (Specify)**

*** 3. Date Received:**

03/18/2011

4. Applicant Identifier:

5a. Federal Entity Identifier:

*** 5b. Federal Award Identifier:**

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

*** a. Legal Name:**

Minnesota Department of Education

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

416007162

*** c. Organizational DUNS:**

9335613180000

d. Address:

*** Street1:**

1500 Highway 36 West

Street2:

*** City:**

Roseville

County:

*** State:**

MN: Minnesota

Province:

*** Country:**

USA: UNITED STATES

*** Zip / Postal Code:**

55113

e. Organizational Unit:

Department Name:

Division Name:

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

Prefix:

*** First Name:**

Cynthia J

Middle Name:

*** Last Name:**

Murphy

Suffix:

Title:

Organizational Affiliation:

*** Telephone Number:**

(651) 582-8217

Fax Number:

*** Email:**

cindy.murphy@state.mn.us

Application for Federal Assistance SF-424

Version 02

9. Type of Applicant 1: Select Applicant Type:

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

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

U.S. Department of Education

11. Catalog of Federal Domestic Assistance Number:

84.282

CFDA Title:

Charter Schools

*** 12. Funding Opportunity Number:**

ED-GRANTS-012511-002

* Title:

Office of Innovation and Improvement (OII): Charter Schools Program (CSP): State Educational Agencies CFDA Number 84.282A

13. Competition Identification Number:

84-282A2011-1

Title:

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

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

Minnesota's Federal Charter Schools Program Grant Project

Attach supporting documents as specified in agency instructions.

Application for Federal Assistance SF-424

Version 02

16. Congressional Districts Of:

* a. Applicant

* b. Program/Project

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

17. Proposed Project:

* a. Start Date:

* b. End Date:

18. Estimated Funding (\$):

* a. Federal	<input type="text" value="49,815,448.00"/>
* b. Applicant	<input type="text" value="0.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="49,815,448.00"/>

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

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

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

Yes No

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

** I AGREE

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

Authorized Representative:

Prefix: * First Name:

Middle Name:

* Last Name:

Suffix:

* Title:

* Telephone Number: Fax Number:

* Email:

* 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: 1890-0004

Expiration Date: 06/30/2005

Name of Institution/Organization:
 Minnesota 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	\$ 229,313	\$ 236,191	\$ 205,631	\$ 192,413	\$ 198,186	\$ 1,061,734
2. Fringe Benefits	\$ 80,260	\$ 82,667	\$ 71,971	\$ 67,345	\$ 69,365	\$ 371,608
3. Travel	\$ 8,500	\$ 9,000	\$ 9,500	\$ 10,000	\$ 10,000	\$ 47,000
4. Equipment	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 10,000
5. Supplies	\$ 2,500	\$ 2,500	\$ 5,500	\$ 2,500	\$ 5,500	\$ 18,500
6. Contractual	\$ 90,600	\$ 92,600	\$ 88,850	\$ 86,975	\$ 86,975	\$ 446,000
7. Construction	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
8. Other	\$ 4,080,000	\$ 7,900,000	\$ 10,900,000	\$ 12,300,000	\$ 12,300,000	\$ 47,480,000
9. Total Direct Costs (lines 1-8)	\$ 4,493,173	\$ 8,324,958	\$ 11,283,452	\$ 12,661,233	\$ 12,672,026	\$ 49,434,842
10. Indirect Costs*	\$ 80,740	\$ 83,191	\$ 74,558	\$ 69,936	\$ 72,181	\$ 380,606
11. Training Stipends	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
12. Total Costs (lines 9-11)	\$ 4,573,913	\$ 8,408,149	\$ 11,358,010	\$ 12,731,169	\$ 12,744,207	\$ 49,815,448

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

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

- (1) Do you have an Indirect Cost Rate Agreement approved by the Federal government? Yes No
- (2) If yes, please provide the following information:
 Period Covered by the Indirect Cost Rate Agreement: From: 7/1/2010 To: 6/30/2011 (mm/dd/yyyy)
 Approving Federal agency: ED Other (please specify): _____
- (3) For Restricted Rate Programs (check one) -- Are you using a restricted indirect cost rate that:
 Is included in your approved Indirect Cost Rate Agreement? or, Complies with 34 CFR 76.564(c)(2)?



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

OMB Control Number: 1890-0004

Expiration Date: 06/30/2005

Name of Institution/Organization:
 Minnesota 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

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

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

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

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

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

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

* SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	* TITLE
Cindy Murphy	Deputy Commissioner
* APPLICANT ORGANIZATION	* DATE SUBMITTED
Minnesota Department of Education	03/18/2011

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

DISCLOSURE OF LOBBYING ACTIVITIES

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

Approved by OMB
0348-0046

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

4. Name and Address of Reporting Entity:

Prime SubAwardee

* Name: Minnesota Department of Education

* Street 1: 1500 Highway 36 West * Street 2: _____

* City: Roseville * State: MN: Minnesota * Zip: 55113

Congressional District, if known: _____

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

6. * Federal Department/Agency: U.S. Department of Education	7. * Federal Program Name/Description: Charter Schools
	CFDA Number, if applicable: 84.282

8. Federal Action Number, if known: _____	9. Award Amount, if known: \$ _____
---	---

10. a. Name and Address of Lobbying Registrant:

Prefix _____ * First Name: Brian Middle Name: _____

* Last Name: Shekleton Suffix: _____

* Street 1: _____ * Street 2: _____

* City: _____ * State: _____ * Zip: _____

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

Prefix _____ * First Name: Brian Middle Name: _____

* Last Name: Shekleton Suffix: _____

* Street 1: _____ * Street 2: _____

* City: _____ * State: _____ * Zip: _____

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

* Signature: Cindy Murphy

* Name: Prefix _____ * First Name: Jessie Middle Name: _____
* Last Name: Montano Suffix: _____

Title: Deputy Commissioner Telephone No.: _____ Date: 03/18/2011

Federal Use Only:	Authorized for Local Reproduction Standard Form - LLL (Rev. 7-97)
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NOTICE TO ALL APPLICANTS

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

To Whom Does This Provision Apply?

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

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

What Does This Provision Require?

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

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

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

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

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

- (1) An applicant that proposes to carry out an adult literacy project serving, among others, adults with limited English proficiency, might describe in its application how it intends to distribute a brochure about the proposed project to such potential participants in their native language.
- (2) An applicant that proposes to develop instructional materials for classroom use might describe how it will make the materials available on audio tape or in braille for students who are blind.
- (3) An applicant that proposes to carry out a model science program for secondary students and is concerned that girls may be less likely than boys to enroll in the course, might indicate how it intends to conduct "outreach" efforts to girls, to encourage their enrollment.

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

Estimated Burden Statement for GEPA Requirements

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

Optional - You may attach 1 file to this page.

Add Attachment

Delete Attachment

View Attachment

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

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

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

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

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

Statement for Loan Guarantees and Loan Insurance

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

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

* APPLICANT'S ORGANIZATION Minnesota Department of Education	
* PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	
Prefix: <input type="text"/>	* First Name: <input type="text" value="Jessie"/> Middle Name: <input type="text"/>
* Last Name: <input type="text" value="Montano"/>	Suffix: <input type="text"/>
* Title: <input type="text" value="Deputy Commissioner"/>	
* SIGNATURE: <input type="text" value="Cindy Murphy"/>	* DATE: <input type="text" value="03/18/2011"/>

Close Form

SUPPLEMENTAL INFORMATION
REQUIRED FOR
DEPARTMENT OF EDUCATION GRANTS

1. Project Director:

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

Address:

* Street1:
 Street2:
 * City:
 County:
 * State:
 * Zip Code:
 * Country:

* Phone Number (give area code) Fax Number (give area code)

Email Address:

2. Applicant Experience:

Novice Applicant Yes No Not applicable to this program

3. Human Subjects Research

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

Yes No

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

Yes Provide Exemption(s) #:

No Provide Assurance #, if available:

Please attach an explanation Narrative:

Add Attachment

Delete Attachment

View Attachment

Project Narrative

Abstract Narrative

Attachment 1:

Title: Pages: Uploaded File: **1234-MN CSP Abstract.pdf**

ABSTRACT

Minnesota has a long history of supporting the development of charter schools and the expansion of public school choice. Since the nation's first charter school opened in St. Paul in 1992, the state has realized steady charter school growth; over 37,000 students currently attend Minnesota's 149 charter schools. Charter schools are afforded high levels of autonomy, flexibility and independence and receive equitable funding from the state. Minnesota's charter community is expanding and parent demand for charter schools remains strong.

In recent years, however, the state has faced issues with charter school quality and authorizer effectiveness. In order to address the need for greater accountability in the charter sector, the Minnesota State Legislature enacted a "second generation" charter law in 2009 and statutory revisions mark the most significant legislative changes since 1991. Minnesota's nation-leading law now includes safeguards to strengthen authorizer accountability, increase school quality and clarify charter school board responsibilities. The state is establishing new authorizer oversight systems, developing initiatives to clarify performance expectations, identifying best practices and providing assistance to ensure opportunities for choice and innovation are balanced with high-quality results.

The Minnesota Department of Education is requesting \$49,815,448 over the next five years to continue this challenging work to increase charter school quality and authorizer accountability. Minnesota's Federal Charter Schools Program Grant Project will: 1) increase the number of high-quality charter schools in the state; 2) establish a charter school accountability framework to increase academic performance and decrease the achievement gap; 3) improve the capacity of authorizers to effectively authorize, monitor and hold accountable charter schools; and 4) disseminate promising and innovative practices of high-quality charter schools to each LEA in the state.

Project Narrative

Project Narrative

Attachment 1:

Title: Pages: Uploaded File: **1237-MN CSP Project Narrative.pdf**

Minnesota’s Federal Charter Schools Program Grant Project

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COMPETITIVE PREFERENCE PRIORITIES

Competitive Preference Priority 1 – Periodic Review and Evaluation:

Minnesota Statutes, section 124D.10 states, “**Subd. 15. Review and comment.** (a) *The authorizer shall provide a formal written evaluation of the school's performance before the authorizer renews the charter contract. The department must review and comment on the authorizer's evaluation process at the time the authorizer submits its application for approval and each time the authorizer undergoes its five-year review under subdivision 3, paragraph (e).*” and “**Subd. 6. Charter contract (9)** *The term of the contract, which may be up to three years for an initial contract plus an additional preoperational planning year, and up to five years for a renewed contract if warranted by the school's academic, financial, and operational performance.*”

Contracts between authorized public chartering agencies (authorizers) and the schools they charter may be up to three years for an initial contract and up to five years for a renewal contract. Minnesota law requires authorizers to demonstrate a renewal contract is warranted through ongoing oversight during a contract term and through a “high-stakes” evaluation before a charter contract is renewed.

Minnesota is proud of its pioneering role as creator of the nation’s first charter school law in 1991. Charter schools have flourished in Minnesota since passage of the law and steady charter school growth continues to be realized. Since 1992, 190 charter schools have opened and over 37,000 students (4.5 percent of Minnesota’s total K-12 public school enrollment) currently attend Minnesota’s 149 charter schools.

While Minnesota has led the nation in school choice policy development, average student achievement in charter schools lags behind state averages. In a concerted attempt to address unsatisfactory academic achievement and student performance, the Minnesota Legislature

approved major revisions to Minnesota's charter school law in 2009. The most compelling changes reflect significant increases in charter authorizer accountability.

Since charter schools began operating in Minnesota, the quality of charter school authorizing has varied dramatically; the 2009 legislative changes placed responsibility with the Minnesota Department of Education's (MDE) Charter School Center to standardize and advance the quality of authorizing through review, approval, oversight and evaluation of charter school authorizers. The Minnesota Legislature's intent is clear; quality authorizing is a necessary means to raise the achievement of students enrolled in Minnesota charter schools.

MDE's new authority to approve charter school authorizers is identified in Minnesota Statutes, section 124D.10, subdivision 3. Eligible organizations must submit an application to the commissioner for "approval as an authorizer before submitting any affidavit to the commissioner to charter a school". The approval is based upon an authorizer's: "1) capacity and infrastructure; 2) application criteria and process; 3) contracting process; 4) ongoing oversight and evaluation processes; and 5) renewal criteria and processes."

MDE has conducted two rounds of authorizer application reviews since spring of 2010 and recently began a third review of authorizer applications. Authorizer review and approval standards are based on the statutory criteria above and are aligned with the National Association of Charter School Authorizer's (NACSA) *Principles & Standards of Quality Charter School Authorizing*. In the first two review cycles, 29 authorizer applications were reviewed, of which 15 organizations were approved; 11 organizations submitted applications for the current review cycle.

This high-stakes authorizer review process taps local and national reviewers to assess the quality of applications and generate evaluative comments and ratings to inform the

commissioner's review and eventual determination. Additionally, review data is formative and provided to each applicant after the review to continuously improve their authorizing practices. Last, this data serves the Charter School Center's efforts to: 1) improve future authorizer review processes; 2) identify specific areas individual authorizers need improvement and oversight; and 3) identify areas of collective need across Minnesota's authorizing field. (Please see the *Authorizer Application Packet* in the Appendix of this application for additional information regarding Minnesota's authorizer standards, expectations and requirements).

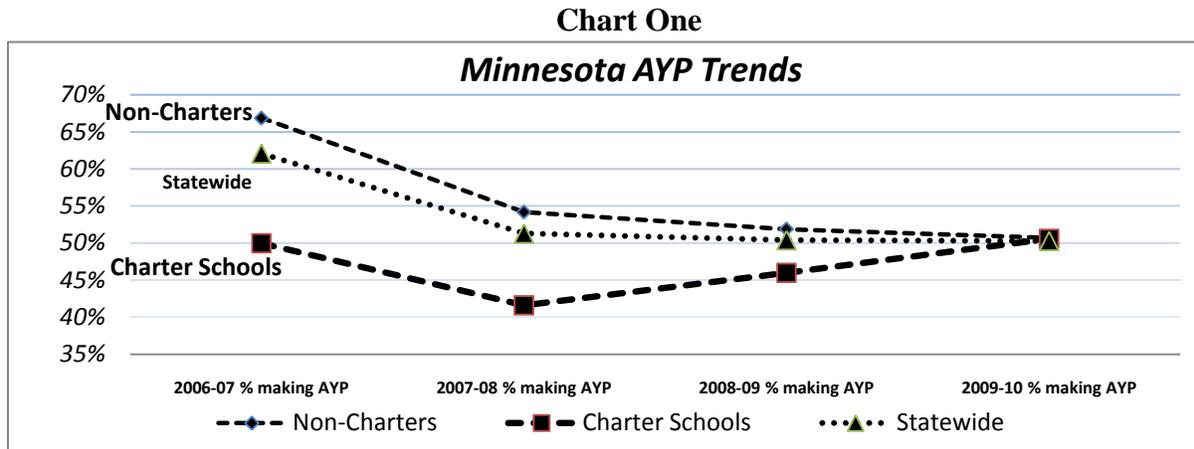
Charter schools are held accountable by authorizers and the state to comply with provisions of applicable laws, rules and their charter contract. Authorizers are required to evaluate a school's academic, operational and financial performance before renewing the charter. In turn, the commissioner reviews an approved authorizer's performance every five years to ensure the authorizer is chartering and monitoring schools according to their approved authorizer application and the terms of a school's charter.

Competitive Preference Priority 2 – Number of High-Quality Charter Schools:

Minnesota's Federal Charter Schools Program (CSP) Grant Project continues to provide essential start-up support to increase the number of high-quality charter schools in the state; MDE funded almost 100 developing and newly-operational charter schools in the current award period. Charter schools operate in Minnesota's urban, suburban and rural areas and communities across the state have created high-quality charter schools as an important public school choice option for families.

However, as indicated above, student achievement in Minnesota charter schools lags behind achievement at traditional school districts ("non-charters") and average charter school math and reading proficiency rates are lower than non-charter proficiency rates. As a result, a lower

percentage of charter schools make adequate yearly progress (“AYP”) than non-charters (see Chart One). However, the differences between charter schools and non-charters has diminished over the last two years, which is largely due to fewer non-charters making AYP.



Due to these signs of unsatisfactory academic performance, yet acknowledging the indicators’ significant limitations in determining the *overall quality* of a charter school, Minnesota’s charter school community has called for a more comprehensive system of assessment and accountability, a framework based on multiple measures of academic and other student performance as well as organizational and financial indicators, to determine the overall quality of a charter school. This request is largely due to the unique student populations served by Minnesota charter schools (see Chart Two in *Competitive Preference Priority 6*). In addition to larger percentages of low-income students, minority students and English Language Learners than served by non-charters, many Minnesota charter high schools serve “over-aged and under-credited” student populations whose enrollment at their school may be the last chance for academic success. Because of the state’s limited ability to assess charter schools performance using multiple measures for all students, MDE has engaged in an “interim” process to determine high-quality based on growth in math and reading scores measured by the state’s standardized assessment, the “MCA-IIs”, and the state’s interim definition of “high quality charter school” is

based on performance under the “Minnesota Growth Model.” The growth model tracks student growth on the MCA-II math and reading assessments from one school year to the next; it is based on individual student performance over time and attributes a score to a school for the growth of individual students enrolled at the school.

Methodology: The level of student performance in math and reading is determined by a growth score. The score considers how many standard deviations a student’s current year score on the MCA-II is above (or below) the mean score for Minnesota students (charter and non-charter) who had the same score as they did the prior year; the resulting calculation merits a “z-score.” The z-scores of students within a school are calculated to determine a school’s overall z-score. A state average z-score is then calculated and **charter schools with overall z-scores better than the state average in both math and reading are considered a “high-quality charter school.”** (See *Minnesota’s High Quality Charter School Calculations Explained* in the Appendix of this application for a full description of how z-scores were calculated.)

This definition of high-quality charter school is considered interim as it has significant limitations: 1) charter schools only merit growth scores for approximately 60 to 65 percent of students enrolled due to the grades and students tested each year; 2) individual schools (charter and non-charter) with participation rates below 80 percent were not considered; and 3) individual schools (charter and non-charter) with fewer than 20 eligible student growth scores were not considered. In general, the charter schools excluded from the measure had low participation from one year to the next or a sample size of less than 20 students in a given school year. These limiting variables resulted in overall school z-scores for merely one-third of Minnesota’s 181 charter school “sites” measured in 2010.

Despite the measure's limitations, charter schools are demonstrating encouraging and positive results. In school year 2008-09, 30 of 55 eligible charter schools (55 percent of included schools or 17 percent of all charter sites) earned the distinction of "high quality charter school." In school year 2009-10, 43 of 64 eligible charter schools (67 percent of included schools or 24 percent of all charter sites) earned the distinction of "high quality charter school."

MDE considers this definition of "high quality charter school" as an interim measure due to the under-count of Minnesota charter school and its reliance upon only one measure. This grant application proposes to create a comprehensive state charter school accountability framework to more effectively and fairly measure the performance of Minnesota's charter schools; the resulting accountability framework will include the interim measure for growth in math and reading, but will also incorporate multiple additional measures of each school's performance.

Competitive Preference Priority 3 – One Authorized Public Chartering Agency Other than a Local Educational Agency (LEA), or an Appeals Process:

Minnesota Statutes, section 124D.10 states, "**Subd. 3. Authorizer. (b)** *The following organizations may authorize one or more charter schools: (1) a school board; intermediate school district school board; education district ...; (2) a charitable organization under section 501(c)(3) of the Internal Revenue Code of 1986, excluding a nonpublic sectarian or religious institution, ...that: (i) is a member of the Minnesota Council of Nonprofits or the Minnesota Council on Foundations; (ii) is registered with the attorney general's office; (iii) reports an end-of-year fund balance of at least \$2,000,000; and (iv) is incorporated in the state of Minnesota; (3) a Minnesota private college, notwithstanding clause (2), that grants two- or four-year degrees and is registered with the Minnesota Office of Higher Education under chapter 136A; community college, state university, or technical college governed by the Board of Trustees of the Minnesota State*

Colleges and Universities; or the University of Minnesota; or (4) a nonprofit corporation subject to chapter 317A, described in section [317A.905](#), and exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code of 1986, may authorize one or more charter schools if the charter school has operated for at least three years under a different authorizer and if the nonprofit corporation has existed for at least 25 years; (5) no more than three single-purpose authorizers that are charitable, nonsectarian organizations formed under section 501(c)(3) of the Internal Revenue Code of 1986 and incorporated in the state of Minnesota whose sole purpose is to charter schools.

Minnesota’s charter school law has long provided for “multiple authorizers”, including traditional and intermediate school districts, charitable non-profit organizations and higher education institutions. The extensive legislative reforms enacted in 2009 added a new category of authorizer to the state’s portfolio of eligible organizations – single purpose authorizers. Single purpose authorizers, whose sole organizational purpose is to charter schools, were established to help ensure authorizer quality and charter school accountability. In addition, single purpose authorizers are expected to assume the authorization of existing charter schools with sponsors who do not intend to apply for authorizer approval or who do not meet the commissioner’s standards for approving authorizers in the state.

As cited in statute above, eligible organizations may no longer authorize charter schools simply because they are eligible to do so; eligible organizations must now be approved as authorizers by the commissioner of education before they can charter new schools or renew current charter contracts. Expanded options for eligible authorizing entities reflect Minnesota’s continued strong support for charter schools and coupled with the new safeguards for authorizer

quality and accountability, stand to support the overarching goal of this grant application – to increase the number of high-quality charter schools in the state.

Competitive Preference Priority 4 – High Degree of Autonomy:

Minnesota charter schools are considered Local Education Agencies (LEAs) and are fiscally independent and operate autonomously of school districts. They receive direct payment of state and federal aids that flow through MDE. Under Minnesota Statutes, section 124D.11, subdivision 6, a charter school receives other state aids and grants as if it were a district, including: 1) General Education Revenue – the state’s primary education funding formula by which a charter school earns general education revenue on a per pupil unit basis and may be used for any purpose; 2) Referendum Revenue – the aid portion of each enrolling student’s referendum revenue based on the student’s resident district referendum amount; 3) Special Education Revenue; 4) Transportation Revenue – a charter school is eligible for an additional amount of general education revenue of approximately \$250 per pupil unit if it elects to provide transportation services; 5) Building Lease Aid – a charter school is eligible for building lease aid equal to the lesser of \$1,200 per pupil or 90 percent of the charter school’s lease costs; 6) Start-up Aid – for the first two years of a charter school’s operation, it is eligible for additional state aid equal to the greater of \$50,000 per charter school, or \$500 per charter school pupil unit; 7) Facilities Funding and Other Aid, Grants, and Revenue – a charter school may receive money from any source for capital facilities needs and is also eligible to receive other aids, grants, and revenue; and 8) Federal Aid – a charter school is eligible for any federal aid received by the state as if the charter school were a school district. Please see *Selection Criteria (ii)* for additional information regarding the autonomy, flexibility and independence afforded Minnesota charter schools

Competitive Preference Priority 5 – Improving Achievement and High School Graduation Rates:

Minnesota is leading national and state efforts to improve the high school experience by providing more rigor and relevance in coursework and providing more meaningful relationships for students. This is the goal of Minnesota’s High School Initiatives, administered by MDE’s Center for Postsecondary Success. MDE provides data to administrators, teachers and others interested in data-driven high school improvement and promotes and facilitates discussions on this effort. Minnesota received a National Governors’ Association Honor States Grant to support the state’s high school redesign efforts.

The *Systemic High School Redesign: Building a Minnesota Model* (“Framework”) was developed through a multi-year initiative to address a variety of supports for high school redesign including: rigorous and relevant course taking for all students; personalized learning environments; multiple pathways to postsecondary training or college; high quality teacher and principal leadership; and student assessment and program evaluation data used to continuously improve school climate, organization, management, curricula and instruction. The Framework was developed within a larger state mandate to increase academic rigor, while expanding graduation requirements in math and science, providing all schools with the Educational Planning and Assessment System (EPAS) for students and expanding access to Advanced Placement (AP), International Baccalaureate (IB) and College Level Examination Program (CLEP). The Framework was developed by MDE in conjunction with Minnesota principals and NCCC (North Central Comprehensive Center)/McREL (Mid-Continent Research for Education and Learning) during the first two years of the pilot initiative.

The Framework is available online for all high schools to assist with their high school improvement initiatives. The Framework lists ideal characteristics of the research-based five core components for high school improvement. For each of the characteristics, the Framework

provides lists of possible tools to measure these characteristics, potential strategies for implementation, possible resources to explore, and advisor guidance.

The *Connecting for High School to Postsecondary Success Initiative* was established to increase high school student achievement and postsecondary attainment by offering assistance to Minnesota high schools willing to participate in state initiatives related to the Framework. Training and technical assistance is provided to high schools through: online WebEx resources, tutorials and manuals; regional networking through Minnesota Association of Secondary School Principals (MASSP) Divisions based on geographic regions of the state; and direct support from staff members in MDE's Center for Postsecondary Success. Unfortunately, very few of Minnesota's charter high schools currently participate in this initiative.

Federal CSP subgrant applicants and charter school across the state will be better informed about available resources for Minnesota's *Systemic High School Redesign: Building a Minnesota Model* Framework and will be encouraged to participate in Minnesota's *Connecting for High School to Postsecondary Success Initiative* to help ensure all students graduate college/career ready. Under a new state award, MDE will provide preference points (up to 10 points) for federal CSP subgrant applicants that propose schools designed to improve high school achievement and graduation rates. Specifically, subgrant applicants will need to articulate plans to accelerate learning and help improve high school graduation rates and/or college enrollment rates for students in rural local educational agencies, students with disabilities and/or for English language learners. While it is not expected that any one applicant would address all three student populations, applicants requesting preference points will be required to propose at least one accountability goal, with an implementation plan that includes specific activities and benchmarks to be achieved by the end of the 36-month federal CSP subgrant project, that is designed to

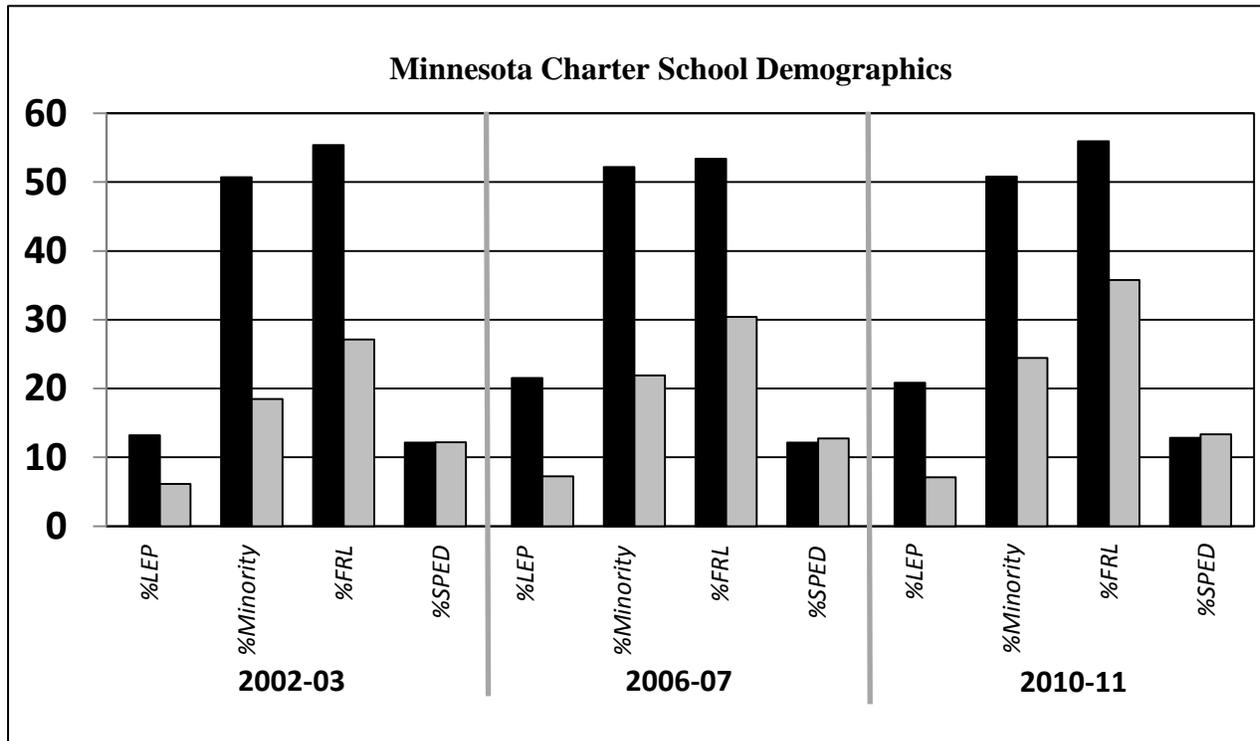
improve the academic and postsecondary success of high school students. Please see *Selection Criteria (i) and (ii)* for additional information regarding this strategy.

Additionally, the work of MDE's Center for Postsecondary Success will greatly inform the initiative proposed in this application to establish a comprehensive and rigorous charter school accountability framework based on multiple measures (see Objective Two under *Selection Criteria (i)*). Multiple measures impacting high school success might include: 1) increased numbers of students will achieve college and career benchmark level proficiency scores on Explore, Plan and the ACT; 2) increased numbers of students will enroll in and complete rigorous courses as documented by the Minnesota Common Course Catalog; 3) increased percentage of students graduating from high school in four years; 4) increased numbers of students enrolling in and successfully completing rigorous courses as measured through the Minnesota Common Course Catalog; 5) increased percentage of students enrolling in postsecondary institutions immediately following high school graduation; and 6) decreased percentage of students dropping out of high school each year.

Competitive Preference Priority 6 – Promoting Diversity:

Minnesota charter schools have long served diverse student populations. As illustrated in Chart Two below, charters schools currently serve: a greater percentage of students who qualify for free or reduced-priced meals (56 percent charter versus 36 non-charter); a greater percentage of English language learners (21 percent versus 7 percent non-charter); and a much higher percentage of minority students (51 percent charter versus 24 percent non-charter). Students qualifying for special education services make up approximately 13 percent of the student population at both charter and non-charter schools.

Chart Two



<ul style="list-style-type: none"> Charter Schools Minnesota Public Schools 	<p><i>LEP – Limited English Proficiency</i> <i>Minority – Minority students</i> <i>FRL – Free & Reduced Lunch</i> <i>SPED – Special Education</i></p>
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Most Minnesota charter schools were created to serve a particular student population or implement a particular type of curricular or pedagogical approach, or both. Because Minnesota’s charter schools often serve students for whom the traditional public school setting has failed, charter schools continue to serve extremely diverse population of students in terms of ethnic and racial background, economic status and primary language. MDE expects new and significantly expanding charter schools funded under the next state award will continue to serve diverse student populations. However, in order to help sustain widespread diversity, MDE will provide preference points (up to five points) for federal CSP subgrant applicants that propose schools that are designed to promote student diversity. Specifically, subgrant applicants will need to articulate marketing, outreach and recruitment strategies to: reach families traditionally less informed

about education options; connect with educationally and economically disadvantaged and hard-to-reach populations; and avoid racial isolation or the “re-segregation” of schools in the community to be served. Please see *Selection Criteria (i) and (ii)* for additional information regarding this strategy.

Competitive Preference Priority 7 – Improving Productivity:

Charter schools were initially conceptualized, at least in part, to “do more with less”. By their very nature, Minnesota charters are innovative and efficient in their operations; schools share facilities, staff members, policies, transportation, special education services and other practices with one another, as well as with other organizations, to maximize limited resources. Minnesota’s Federal CSP Grant Project has not provided past incentives in this area; however, MDE proposes to take a more proactive approach to solicit new ideas and strategies to improve productivity among subgrant schools.

Under a new state award, MDE would provide preference points (up to five points) for federal CSP subgrant applicants that propose strategies to improve productivity. Specifically, subgrant applicants will need to articulate intentional strategies designed to significantly increase efficiency in the use of time, staff, money or other resources to address one or more of the following state purposes for charter schools: 1) improve pupil learning and student achievement; 2) increase learning opportunities for pupils; 3) encourage the use of different and innovative teaching methods; 4) measure learning outcomes and create different and innovative forms of measuring outcomes; 5) establish new forms of accountability for schools; and 6) create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site. Please see *Selection Criteria (i) and (ii)* for additional information regarding this strategy.

INVITATIONAL PRIORITY

Invitational Priority: Support for Turnaround Schools:

Proposed objectives under *Selection Criteria (i)* include plans to update the federal CSP subgrant selection criteria and review rubric to include preference points for applicants that propose to specifically design schools to replicate, in whole or in part, high-performing models from Minnesota and other states. While the replication of high-performing models will not be limited to communities with one or more public schools closed as a consequence of the LEA implementing a federal restructuring plan, MDE expects charter authorizers and developers seeking to replicate high-performing models will establish new charter schools in areas of high need, which may include communities with one or more closed schools.

Under a new state award, MDE would provide preference points (up to 10 points) for federal CSP subgrant applicants that propose to design schools to replicate, in whole or in part, high-performing models in other states. Specifically, subgrant applicants wishing to earn preference points will: present compelling data to justify why the identified school is high-performing; describe the aspects of the successful model the new school intends to replicate; and articulate plans to ensure the replication is implemented with fidelity to increase the likelihood of success. MDE will assist in a broader effort to scale-up high-performing schools in the state by working with state resource organizations such as the Center for School Change (CSC), Charter School Partners, the Minnesota Association of Charter Schools (MACS) and Education/Evolving to identify successful models and facilitate connections between operators of identified high-performing schools and approved authorizers seeking to charter replication schools. Please see *Selection Criteria (i) and (ii)* for additional information regarding this strategy.

APPLICATION REQUIREMENTS

Application Requirement (i): Describe the objectives of the SEA's charter school grant program and how these objectives will be fulfilled, including steps taken by the SEA to inform teachers, parents, and communities of the SEA's charter school grant program:

Application Requirement (i) is addressed under *Selection Criteria (i)*.

Application Requirement (ii): Describe how the SEA will inform each charter school in the State about Federal funds the charter school is eligible to receive and Federal programs in which the charter school may participate:

Application Requirement (ii) is addressed under *Selection Criteria (iv)*.

Application Requirement (iii): Describe how the SEA will ensure that each charter school in the State receives the school's commensurate share of Federal education funds that are allocated by formula each year, including during the first year of operation of the school and a year in which the school's enrollment expands significantly:

Application Requirement (iii) is addressed under *Selection Criteria (iv)*.

Application Requirement (iv): Describe how the SEA will disseminate best or promising practices of charter schools to each local educational agency (LEA) in the State:

Application Requirement (iv) is addressed in Objective Four under *Selection Criteria (i)*.

Application Requirement (v): If an SEA elects to reserve part of its grant funds (no more than 10 percent) for the establishment of a revolving loan fund, describe how the revolving loan fund would operate:

Minnesota will not reserve grant funds to establish a revolving loan fund.

Application Requirement (vi): If an SEA desires the Secretary to consider waivers under the authority of the CSP, include a request and justification for any waiver of statutory or regulatory provisions that the SEA believes is necessary for the successful operation of charter schools in the State:

The Minnesota Department of Education (MDE) requests two waivers to successfully implement our proposed project: 1) a waiver of the three-year limit for SEA grants to implement a five-year grant project; and 2) a waiver of the one Planning/Implementation grant limit per school to award second grants for significant expansions of high-quality charter schools.

Five-Year Project Period: Minnesota is determined to improve the performance of charter schools and effectiveness of authorizers to dramatically improve the quality of charter schools in our state. In order to realize ambitious goals reflected in the proposed objectives, MDE requests a waiver of the three-year limit for SEAs in order to implement a five-year project. This will provide Minnesota with the necessary time, and resources, to achieve proposed performance measures to increase the quality and performance of Minnesota’s charter schools. Systemic change takes years to effectively execute and sustain; MDE acknowledges this important challenge and in response, presents a proposal focused on impact outcomes that will take five years to achieve. The proposed project objectives in *Selection Criteria (i)* and proposed management plan in *Selection Criteria (iv)* outline Minnesota’s five-year plan.

Grants for Significant Expansions: Although charter school growth in Minnesota has decelerated in recent years, the decline in number of new schools is not due to lack of parent demand. Rather, the smaller number of new schools opening each year reflects a statewide focus on charter school quality and authorizer accountability, which has limited the number of new schools approved and subsequently, the number of federal CSP subgrants awarded in recent years. In response to heightened accountability expectations, authorizers are focusing more on applicants’ quality and capacity before chartering new schools. While Minnesota has experienced a decline in the number of brand new charters, many existing charters are bursting at the seams and contemplating expansions to serve students beyond grade levels already offered or to substantially increase their enrollment in existing grades. However, adding a secondary or elementary component to an operational school and/or substantially increasing the number of students served requires considerable resources, many of which are one-time “start-up” costs,

and dedicated capital to support a “significant expansion” is extremely difficult to secure or simply unavailable in these challenging economic times.

MDE proposes to address the need for resources to support significant expansion of effective models by awarding Planning/Implementation grants to high-quality charter schools that have previously received a federal CSP grant. As articulated in Objective One under *Selection Criteria (i)*, significant expansion grants would only be awarded to existing schools that meet the state’s definition of “high-quality” and have earned the opportunity to request additional public investment through a track record of increasing student achievement and student success. Schools eligible to apply for significant expansion grants would also need to demonstrate a history of organizational and financial stability and the capacity to effectively implement the proposed expansion.

Eligibility criteria for significant expansion grants include: plans to add an elementary or secondary component that is not already provided; increasing enrollment by at least 50% for existing schools that serve at least 200 students; and schools have successfully completed a first federal CSP grant at least two years before applying for a significant expansion award. In addition to MDE’s Planning/Implementation funding standards already established for new school grants, existing school applicants would also need to demonstrate a successful track record in governance, finance, compliance and other operational areas to be considered for a second award.

Funds to support significant expansion of high-quality schools was the most popular topic during recent “listening sessions” MDE held with Minnesota’s charter school community while developing this grant application. Additionally, approved authorizers were recently polled regarding chartering plans for the next five years and projections for significant expansion of

high-quality schools were similar in number to the projections for brand new schools expected to be chartered. The interest is great and the demand is evident; Minnesota requests a “blanket” waiver from USDOE to enhance our subgrant process by adding the option for high-quality schools to apply for significant expansion grants in order to grow the best of Minnesota’s charter community.

Application Requirement (vii): Describe how charter schools that are considered to be LEAs under State law and LEAs in which charter schools are located will comply with sections 613(a)(5) and 613(e)(1)(B) of the Individuals with Disabilities Education Act:

MDE requires charter schools to plan for students with disabilities beginning with the application and pre-operational development phase of the school. MDE’s Division of Special Education Policy has specialists to provide technical assistance and training to developing and operational charter schools regarding the Individuals with Disabilities Act (IDEA). Pre-operational training includes an overview of IDEA requirements and regulations and introduces charter school developers to MDE staff working with IDEA; this training is complimented by substantial training and technical assistance opportunities for newly-operational schools. In addition, Minnesota’s federal CSP subgrant application includes a plan for serving students with disabilities and the state’s new school affidavit and an authorizer’s charter contract include assurances that the new charter school will comply with IDEA requirements.

Minnesota charter schools are treated as school districts/LEAs in regard to federal and state special education requirements, which require all charter schools to employ, or contract with, a licensed special education director. Minnesota Rule 3525.2405 specifies that a director of special education be employed and outlines the requirements of the director: *“The school board in every district shall employ either singly or cooperatively, a director of special education to be responsible for program development, coordination, and evaluation; in-service training; and*

general special education supervision and administration in the district's total special education system. Cooperative employment of a director may be through a host district, joint powers agreement, or a service cooperative; a director may not be assigned direct instructional duties."

Each charter school's special education director is responsible to ensure compliance with all federal and state laws governing services to and funding for students with special needs. Finally, MDE investigates all formal special education complaints expeditiously and monitors special education programs every five years.

MDE developed the *Special Education Primer for Charter Schools* ("Primer") in 2009 as a resource tool to provide charter school authorizers and charter school directors with quick access to information on the provision of special education and related services, which includes funding opportunities. This resource was developed in conjunction with the Technical Assistance Customizer Project supported through a CSP National Activities grant awarded to the National Association of State Directors of Special Education (NASDSE) by the U.S. Department of Education (USDOE). The Primer was identified as a best practice by WestEd, USDOE's monitoring team, when Minnesota's Federal CSP Grant Project was monitored in January 2010.

SELECTION CRITERIA

Selection Criteria (i): Describe the objectives of the SEA's charter school grant program and how these objectives will be fulfilled, including steps taken by the SEA to inform teachers, parents, and communities of the SEA's charter school grant program:

The project objectives proposed in this application are fundamental; they address the competitive preference priorities, application requirements and selection criteria of the federal CSP grant and reflect Minnesota's priority to increase the performance of charter schools and quality of authorizing in the state.

Minnesota's first objective proposes to use federal CSP grant funds to increase the number of high-quality charter schools in the state that assist educationally disadvantaged and other students in meeting state academic content standards and state student academic achievement standards. This will be accomplished through strategies to: 1) inform the public about Minnesota's Federal CSP Grant Project; 2) award subgrants to start new high-quality charter schools and significantly expand existing high-quality charter schools; and 3) monitor and evaluate federal CSP subgrantees to ensure high-quality charter schools are established.

Subgrants will be awarded only to applicants designing new schools that meet or exceed the state's definition of high-quality charter school and grants to support significant expansions and multiple separate schools under a single charter will be awarded only to existing schools that meet or exceed the state's definition of high-quality charter school. All grants will support charter schools designed to assist educationally disadvantaged and other students in meeting state academic content standards and state student academic achievement standards; however, preference will be awarded to applicants that specifically design schools to: 1) replicate, in whole or in part, high-performing models from Minnesota and other states; 2) improve high school achievement and graduation rates; 3) promote diversity; and/or 4) improve productivity. MDE will monitor and evaluate all subgrants to ensure grant funds are effectively utilized to start or significantly expand a high-quality charter school.

The second objective proposes to establish and implement a comprehensive and rigorous accountability framework to increase academic performance and decrease the achievement gap at Minnesota charter schools. MDE will work with charter schools, authorizers, state resource organizations and other state and federal initiatives to design and implement a charter school accountability framework that is transparent, rigorous and based on multiple performance and

attainment measures. The accountability framework will move our state's interim definition of "high-quality charter school" from one based on limited measures to one characterized by robust attainment, growth and comparison measures that effectively and fairly define "high-quality". This strategy is expected to increase the number and percentage of high-quality charter schools operating in the state.

The third objective addresses Minnesota's recent efforts to improve the effectiveness and capacity of charter school authorizers, building upon Minnesota's newly-established authorizer approval process and strategic planning supported by a grant through NACSA's Fund for Authorizing Excellence. The successful implementation of strategies will improve authorizers' capacity to effectively authorize, monitor and hold accountable charter schools to increase the percentage of high-quality charter schools in the state. This objective builds upon the charter school accountability framework in Objective Two and includes activities to refine and continuously improve Minnesota's authorizer approval process and design and implement a state authorizer monitoring and evaluation system to promote effective authoring. The activities of this objective will also be supported through state general funds as well as other revenue sources, such as a second grant from NACSA's Fund for Authorizing Excellence (a letter of intent to apply has been submitted to NACSA, but a second grant is not yet secured).

The fourth objective addresses a fundamental expectation of the federal CSP; to disseminate charter schools' best or promising practices to each LEA in the state. Minnesota's efforts under this objective will: 1) include innovative practices; 2) be based on our state's evolving definition of high-quality charter school; and 3) be aligned with Governor Dayton's and Education Commissioner Cassellius' recently-proposed "*Better Schools for a Better Tomorrow: A 7-Point Plan for Achieving Excellence*" that includes the *Governor's Award for Excellence in Education*

and the *Governor's Achievement Gap Innovation Fund* (please see A 7-Point Plan for Achieving Excellence in the Appendix of this application). This will be accomplished through strategies to:

- 1) design promising and innovative practice standards;
- 2) annually select high-quality charter schools employing best practices; and
- 3) broadly disseminate selected practices and identified schools to each LEA in the state.

Minnesota is prioritizing the identification and dissemination of charter schools' best practices as minimal past success has been realized in this area. For example, Minnesota received a "1" rating for this monitoring indicator (1 = state does not meet the indicator), which was the only significant weakness identified when Minnesota's Federal CSP Grant Project was recently monitored by USDOE.

Proposed project objectives are presented below. Each objective includes key strategies, grant funded activities, benchmarks and performance measures.

Objective 1: To use federal CSP grant funding to increase the number of high-quality charter schools in the state that assist educationally disadvantaged and other students in meeting state academic content standards and state student academic achievement standards			
Strategies	Key Grant-Funded Activities	Benchmarks	Outcome Performance Measures
1.1 Inform teachers, parents, and communities of the SEA's charter school grant program	<ol style="list-style-type: none"> Partner with MACS' <i>So You Want to Start a Charter School?</i>, and other resource organizations to conduct outreach sessions Conduct technical sessions to potential applicants before each CSP funding round Widely disseminate CSP funding opportunities through MDE's <i>Charter School Update</i> and Website 	<ul style="list-style-type: none"> Five outreach and/or technical assistance sessions held each year At least 80% of participants in outreach sessions report greater awareness and understanding of federal CSP grant program Award 15 new subgrants in project year one; 20 in year two; 20 in year three; 20 in year four; and 20 in year five 5 new schools will be opened and/or significantly expanded in project year one; 15 in year two; 20 in year three; 20 in year four; and 20 in year five Summative assessments provided to 100% of subgrant schools and authorizers within 90 days of subgrant closeout 	<ul style="list-style-type: none"> 25 outreach and/or technical assistance sessions held sessions by end of five-year project Award up to 95 new subgrants by end of five-year project Up to 80 new schools will be opened and/or significantly expanded by end of five year project At least 50% of subgrants issued by the end of five-year project will be awarded to new schools and/or significant expansions that address preference priorities (specifically designed to: replicate high-
1.2 Encourage replication of high-performing models	<ol style="list-style-type: none"> Identify high-performing models from Minnesota and other states Facilitate connections between identified high-performing school operators and Minnesota's approved authorizers 		
1.3 Conduct federal CSP subgrant funding cycles to award planning and implementation grants to: new high-quality schools; existing high-quality schools for significant expansions; and existing high-quality schools to start a separate school under the same charter	<ol style="list-style-type: none"> Conduct semi-annual funding cycles Implement rigorous peer review of subgrant applications Award subgrants to eligible applicants that meet subgrant funding standards and propose to start or significantly expand a high-quality charter school 		
1.4 Implement monitoring and evaluation system to ensure subgrants support	<ol style="list-style-type: none"> Ongoing desk monitoring of expenditures Annual assessment of performance reports submitted by subgrants after each project 		

the development and establishment of high-quality charter schools	period 3. On-site monitoring visit once per three-year subgrant project 4. Summative assessment of each subgrant after each project concludes		performing models; improve high school achievement and graduation rates; promote diversity; and/or improve productivity) • By the end of five-year project, authorizers of subgrant schools will report that at least 75% of their contract renewal decisions for subgrant schools were influenced by key findings of MDE’s summative assessment
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Objective 2: Establish and implement a comprehensive and rigorous charter school accountability framework to increase academic performance and decrease the achievement gap at Minnesota charter schools			
Strategies	Key Grant-Funded Activities	Benchmarks	Outcome Performance Measures
2.1 Establish and disseminate a charter school accountability framework that is consistent with other state accountability initiatives including the statewide longitudinal data system,	1 Work with existing and developing charter schools, approved authorizers, resource organizations and other MDE divisions to develop and refine accountability framework 2 Disseminate framework to authorizers and schools through outreach and technical assistance sessions	<ul style="list-style-type: none"> Accountability framework established by end of second project year MDE-authorizer conferences held annually with approved authorizers beginning in 	<ul style="list-style-type: none"> Three MDE-authorizer conferences held with each approved authorizer by end of five-year project Increase the percentage of high-

<p>MDE’s strategic plan funded through NACSA’s Fund for Authorizing Excellence, priorities of the Minnesota Legislature and other state accountability and assessment initiatives being developed by Minnesota’s new education commissioner</p>	<p>3 Work with state legislature to include approved authorizers as appropriate state parties to access individual student performance data under FRPA or develop a system to provide approved authorizers with anonymous, but individualized, performance data for students attending schools they charter</p>	<p>the third project year</p> <ul style="list-style-type: none"> • Upon request and as needed, annually facilitate networking of and resource sharing between authorizers to support high-stakes renewal decisions based on accountability framework • Publish charter school closing guidance by end of first project year 	<p>quality schools from 24% to 70% by end of five-year project</p>
<p>2.2 Support the effective implementation of accountability framework to ensure charter schools are meeting growth and attainment performance targets</p>	<p>1 Provide annual performance data to charter schools and authorizers regarding each school’s performance under the accountability framework</p> <p>2 Hold technical assistance sessions with approved authorizers (i.e., MDE-authorizer conferences) to review accountability framework and formalize implementation and evaluation strategies based on charter school performance data</p>		
<p>2.3 Support authorizers’ renewal decisions based on schools’ performance under the accountability framework</p>	<p>1 Provide individualized technical assistance to authorizers regarding renewal decisions</p> <p>2 Facilitate authorizer networking and resource sharing regarding high-stakes charter renewal decisions</p> <p>3 Develop clear and transparent charter closure guidance for authorizers and schools</p>		

<p>Objective 3: To improve the capacity of authorizers to effectively authorize, monitor and hold accountable charter schools to increase the percentage of high-quality charter schools in the state</p>			
<p>Strategies</p>	<p>Key Grant-Funded Activities</p>	<p>Benchmarks</p>	<p>Outcome Performance Measures</p>

3.1 Continuously improve and refine the state’s authorizer approval process to ensure maximum effectiveness and transparency	<ol style="list-style-type: none"> 1 Conduct annual authorizer approval process 2 Annually assess and refine the authorizer approval process through stakeholder and participant feedback 	<ul style="list-style-type: none"> • Annual authorizer approval processes are conducted • Authorizer monitoring and evaluation systems will be fully implemented by the end of the second project year 	<ul style="list-style-type: none"> • At least 75% of 5-year charter renewals granted by end of five-year project will be for high-quality schools • Summative evaluation reports issued for 100% of authorizers before their approval is renewed
3.2. Provide ongoing monitoring of authorizer practices to promote effective authorizing in the state	<ol style="list-style-type: none"> 1 Develop monitoring benchmarks, activities and timelines to monitor authorizers 2 Conducted on-site visits, data analysis, complaint reviews and other activities to monitor authorizers 		
3.3 Refine and implement authorizer evaluation system to verify effective authorizing practices are used to make high-stakes charter renewal decisions	<ol style="list-style-type: none"> 1 Refine formative and summative evaluation system to verify effective authorizing practices 2 Implement evaluation system to assess authorizer quality, effectiveness and accountability before authorizer approval is renewed 		

Objective 4: To disseminate promising and innovative practices of high-quality charter schools to each LEA in the state			
Strategies	Key Grant-Funded Activities	Benchmarks	Outcome Performance Measures
4.1 Promising and innovative practice standards will be developed in coordination with resource organizations that is aligned with the charter school accountability framework and the <i>Governor’s Award for Excellence in Education</i> and the <i>Governor’s</i>	<ol style="list-style-type: none"> 1 Develop selection criteria and selection process 2 Advertise opportunities broadly throughout the charter school community 3 Hold informational/technical assistance sessions for eligible schools each year after initiative is established 	<ul style="list-style-type: none"> • Promising and innovative practice standards developed by end of first project year • Technical assistance sessions for best practice applicants held annually • At least one high-quality charter school’s promising and/or 	<ul style="list-style-type: none"> • At least four high-quality charter schools’ promising and/or innovative practices will be selected by the end of the grant project • At least four highest-performing charter school’s

<i>Achievement Gap Innovation Fund</i>			innovative practice will be selected annually and receive financial awards beginning in second project year	promising and/or innovative practice will be disseminated to all LEAs in the state by the end of the five-year project
4.2. Select promising and innovative charter school practices	1 Highest-performing schools annually identified 2 Highest-performing schools actively recruited to submit promising and/or innovative practices 3 Conduct annual selection processes		<ul style="list-style-type: none"> • Competition results and selected school(s)' replicable materials are annually disseminated to all LEAs beginning in second project year 	
4.3 Broadly publish promising and innovative practices of high-quality charter schools to each LEA in the state	1 Provide financial awards to selected schools to develop replicable materials 2 Publish and disseminate annual results of competition and selected charter school(s)' replicable materials through a variety of electronic, print, virtual and in-person activities			

Selection Criteria (ii): The degree of flexibility afforded by the SEA to charter schools under the State's charter school law:

Minnesota Statutes, section 124D.10 states, “**Subd. 4. Formation of school.** (a) An authorizer, after receiving an application from a school developer, may charter a licensed teacher under section [122A.18, subdivision 1](#), or a group of individuals that includes one or more licensed teachers under section [122A.18, subdivision 1](#), to operate a school subject to the commissioner's approval of the authorizer's affidavit under paragraph (b). The school must be organized and operated as a cooperative under chapter 308A or nonprofit corporation under chapter 317A and the provisions under the applicable chapter shall apply to the school except as provided in this section.” and “**Subd 7. Public status; exemption from statutes and rules.** A charter school is a public school and is part of the state's system of public education. A charter school is exempt from all statutes and rules applicable to a school, school board, or school district unless a statute or rule is made specifically applicable to a charter school or is included in this section.”

By law, Minnesota charter schools are independent LEAs exempt from many statutes and rules that apply to a school, school board or school district. This gives charter schools the flexibility and autonomy to be innovative, efficient and independent public schools. Minnesota consistently receives high marks in national rankings of state charter school laws because our charter schools are afforded extensive autonomy, as evidenced by their freedom to innovate, high degree of autonomy over budget and expenditures and equitable state funding and facility lease aid.

The National Alliance for Public Charter Schools (NAPCS) recently released their second annual ranking of state charter school laws, *Measuring Up to the Model: A Ranking of State Public Charter School Laws*, which analyzes 41 state charter laws across the nation and scores

each state law based on “*the 20 essential components from the NAPCS’s model charter school law.*” Minnesota was ranked as having *the best state charter law in the nation* to support the growth of high-quality charter schools. In addition, the Center for Education Reform’s, *Charter School Laws Across the States; 2011 Ranking and Scorecard (12th Edition)*, distinguishes Minnesota as having *the second strongest of the nation’s 41 charter laws*, trailing only Washington, D.C. in terms of overall quality. Finally, NACSA recently issued *The Award for Excellence in Improving Policy* to the State of Minnesota and pronounced, “These key changes to Minnesota’s charter school law have significantly increased the authority, capacity, and accountability of Minnesota’s charter school authorizers and will lead to a much stronger charter school sector.”

From its inception, Minnesota's charter school legislation was designed to give charter schools the autonomy and flexibility needed to carry out the intended statutory purposes and ensure charter schools are able to operate independently as innovative public school options for parents and students. Minnesota law grants charters: 1) authority to function as an autonomous and independent school (LEA); 2) fiscal and legal autonomy, subject to regular audit procedures; 3) authority to elect a board of directors with teacher, parent and community member representation; 4) authority of the board to make all decisions related to school operations, including budgeting, curriculum and operating procedures; 5) the right to receive state and federal education funds directly including start-up funding, general education funding, lease aid, transportation revenue, and special education aid; 6) exemption from many state statutes and rules applicable to schools, including those requiring collective bargaining agreements for licensed and non-licensed staff and administrators; and 7) authority to contract for services and to discharge teachers and non-licensed employees.

Charter schools must employ licensed teachers; however, an administrator’s license is not required for an individual to perform administrative, supervisory, or instructional leadership duties. This allows charter school boards the flexibility to employ strong, entrepreneurial leaders that have been successful in business, nonprofit organizations, higher education, or other areas outside of the traditional K-12 public school arena. Teachers employed by charter schools participate in the state’s Teachers’ Retirement Association and receive retirement benefits and teachers in school districts who wish to teach in a charter schools must be granted a leave of up to five years by the district without being penalized in terms of reinstatement, seniority, or other employment benefits.

Although employees at a charter school have the option to form a bargaining unit, Minnesota law requires that it be separate from any other units within the sponsoring school district. As a result, charter school boards and directors have substantial flexibility in employing teachers who support the vision and mission of their school. Charter schools also have the flexibility to set salaries, school start and stop times, length of school day and school year calendars without excessive contractual restrictions. This allows many charter schools to reward successful employees through performance-based pay or other alternative compensation models and provide expanded opportunities for educators to participate in school leadership and management.

Charter schools in Minnesota are managed and operated by a board of directors, which must be elected by parents and staff within their school community and in accordance with their bylaws in a timely manner. While authorizers are responsible for monitoring and holding schools accountable for academic and financial performance, Minnesota law establishes that only a charter school board is authorized to “operate a school.” Even with increased emphasis on the

crucial role of an authorizer, MDE has been careful to affirm that the authorizer may not perform functions of the school’s board, including the hiring or dismissal of school employees, developing school budgets, establishing school policies or approving contracts with vendors.

Selection Criteria (iii): The number of high-quality charter schools to be created in the State:

MDE has established an estimate of the number of new high-quality charter schools and significant expansions of existing high-quality charter schools to be authorized and opened in the state during the next five years. This estimation is based on: 1) the number of federal CSP Planning subgrant schools currently funded (five) whose funding would continue under a new state award; 2) the number of brand new schools that have been chartered or are being chartered (approximately seven) and have expressed an intent to apply for a subgrant in the initial funding round if Minnesota receives a new state award; 3) extensive interest among existing schools in the opportunity to apply for a significant expansion grant if USDOE approves our waiver request under *Application Requirement (vi)*; 4) moderate interest from the field in starting a new separate school under a single charter; and 5) recent projections gathered from approved authorizers regarding the number of new charter schools and significant expansions they intend to authorize in the next five years.

While MDE does not expect to accommodate all requests or approve all federal CSP subgrant applications submitted to the state, this data indicates the potential for substantial growth in the number of new high-quality charters schools and significant expansions in Minnesota. The grant application budget request is based on the following projections:

SEA Grant Award Project Year	1	2	3	4	5	Total
New CSP subgrants to be awarded	15	20	20	20	20	95
New schools or significant expansions to be opened	5	15	20	20	20	80

Subgrant Application: Semi-annual subgrant funding cycles will be conducted for eligible applicants and MDE expects to award federal CSP subgrants two times per year. Minnesota’s federal CSP subgrant funding criteria and application instructions were substantially updated in 2010 to reflect the state’s revised chartering process that placed more responsibility for reviewing and approving new school applications with approved authorizers (i.e., diminished the state’s role in approving new schools). The implementation of these new statutory provisions resulted in the need to decouple our state’s “combined application”, which previously served as both a state application to start a new charter school and a grant proposal to request a federal CSP subgrant. Minnesota’s 2010 Federal CSP Planning Grant Opportunity Notice and Review Rubric are included in the Appendix of this application.

The selection criteria of Minnesota’s federal CSP subgrant application are organized by the following categories and include USDOE’s requirements for subgrant applications reviewed by a state education agency (SEA):

<i>Work Plan Narrative and Budget</i>		<i>Points</i>
I.	Executive Summary	N/A
II.	Minnesota Statewide CSP Goals and Innovation	12
III.	Educational Program	24
IV.	Accountability Goals	12
V.	Governance and Management	24
VI.	Community Involvement	8
VII.	Marketing and Outreach	16
VIII.	Authorizer	12
IX.	Waiver Requests	N/A
	Planning Grant Budget Narrative/Justification	12
	Total =	120

The federal CSP evaluative selection criteria and rating matrix are included in the grant opportunity notice. Each criterion, section and the proposal as a whole receives a rating of:

Inadequate; Fair; Good; or Excellent and applications rated “Good” or “Excellent” are considered for funding.

If USDOE approves Minnesota’s application for a renewal award, MDE will update current federal CSP subgrant selection criteria to include preference points for applicants that propose to specifically design schools to: 1) replicate, in whole or in part, high-performing models from Minnesota and other states (up to 10 points); 2) improve high school achievement and graduation rates (up to 10 points); 3) promote diversity (up to five points); and/or 4) improve productivity (up to five points). In addition, all applicants will now need to address expectations of a “high-quality” charter school in the school’s accountability goals presented in the subgrant application.

In addition, the review of federal CSP grant applications for significant expansions and separate schools will include an assessment of the existing school’s organizational and financial stability and capacity to effectively implement the proposed growth. These additional criteria will constitute approximately 30 percent of possible points for significant expansion and separate school subgrant applications.

Peer Review: MDE conducts a peer review of all federal CSP subgrant applications. Peer reviewers are recruited annually from Minnesota’s charter school and broader education communities. Interested individuals submit a form to present their knowledge, expertise and experience with charter schools as well as experience with grant or other application review processes. Once a pool of potential reviewers is established, MDE selects individuals with diverse backgrounds to help ensure a representative review panel. This includes characteristics such as different roles (e.g., charter school director, board member, authorizer liaison), varied geographic representation (e.g., inner-city, suburban, greater Minnesota) and/or experience with different types of students (e.g., elementary, secondary, low-income, English language learners,

students with disabilities, demographically-diverse). Review panels range from three to five peer reviewers, with at least three reviewers assigned to each panel. A panel usually reviews five to seven applications and peer reviewers receive a nominal stipend (up to \$300) for full participation in the review process including: 1) pre-review training; 2) individual review of applications; 3) submission of evaluative rubric; and 4) post-review session.

A WebEx presentation is used to train peer reviewers before the review commences. Reviewer training addresses: 1) reviewer roles and responsibilities, including confidentiality and conflict-of-interest; 2) federal CSP grant basics; 3) application points and scoring; 4) evaluative criteria; 5) analyzing applications; 6) writing evaluative comments; and 7) review timeline and rubric submission process. Reviewers read applications and complete rubrics for all applications assigned to their review panel. Reviewers are screened for conflicts-of-interest before applications are assigned and are specifically instructed to notify MDE if potential conflicts arise during the review process. The individual review of applications takes approximately two weeks.

Once review rubrics are received from peer reviewers, MDE aggregates all scores and evaluative comments in preparation for the post-review meeting, which is either a half- or full-day session, depending on the number of applications reviewed. The goal of the post-review meeting is to discuss discrepancies in scores/comments, make applicable adjustments to address discrepancies and reach consensus regarding an overall rating of each application (i.e., Inadequate, Fair, Good or Excellent). The results of the peer-review (including the panel consensus rating assigned and score and comments adjustments made during the post-review session) are summarized for each application and presented, along with funding recommendations from CSP project staff, to MDE leadership. This phase of the review process

takes approximately two weeks, with review results presented to leadership for final decision approximately four weeks after receipt of subgrant applications.

Quality of Applications Funded: In the first years of Minnesota’s current SEA grant project, subgrants were awarded on a competitive basis, but the competition was determined by the approval of an applicant’s “combined application” referenced above (in 2007, 2008 and 2009) or by the state’s approval of the charter school application (in 2005 and 2006). While the “style” of competition has varied over the last several years, the approval of applications has been based on quality: only 46 percent of applications received between 2005 and 2009 (41 of 90 applications received) were approved by the state and funded through Minnesota’s Federal CSP Grant Project.

Additionally, MDE conducted one federal CSP subgrant review and funding cycle in 2010 since the decoupling of the state’s “combined application”. The recent review and selection process was equally competitive as only 50 percent of applicants (two of four) received a “Good” or “Excellent” rating and were selected for an award. While by no means popular with the unsuccessful applicants and their authorizer, the results of the recent 2010 competition further reflect MDE’s commitment to only approve applications that demonstrate sufficient intent, capacity and plans to establish a high-quality charter school, which is aligned with USDOE’s expectation that SEAs only fund high-quality charter school applicants.

Selection Criteria (iv): Quality of the management plan:

Minnesota’s grant project will be directed by Cindy Murphy, Federal CSP State Project Director in MDE’s Charter School Center. Ms. Murphy will provide overall project leadership and direct the grant-funded work of staff members and contractors assigned to the project.

Murphy has worked with charter schools since 2002 and supported the start-up of more than 100

new charter schools. Due to the strength of Minnesota's Federal CSP Grant Project, Murphy was appointed by USDOE in 2009 to represent state education agencies on the Advisory Board for the National Charter School Resource Center. Please see Ms. Murphy's resume in the Appendix of this application for additional information.

Cecilia Cannon, Grants Specialist in MDE's Division of Compliance and Assistance, administers, coordinates and monitors federal CSP subgrants. Ms. Cannon has worked with charter schools since 2005 when she joined MDE to assist Ms. Murphy in managing Minnesota's Federal CSP Grant Project. Ms. Cannon's strong background and extensive experience with federally-funded programs and administrative requirements, including OMB Circulars, federal program statutes, regulations and policy guidance, has led to the development of an effective subgrant monitoring and oversight system that received strong ratings in WestEd's 2010 monitoring of Minnesota's CSP grant. Please see Ms. Cannon's resume in the Appendix of this application for additional information.

David Hartman, Acting Supervisor in MDE's Charter School Center, will oversee the grant-funded work of project staff under Objectives Two and Three. Mr. Hartman has led MDE's work with charter school authorizers since 2006 and directs efforts to create, implement, and oversee the state's charter school authorizer application, review, and oversight activities. Please see Mr. Hartman's resume in the Appendix of this application for additional information.

The Charter Authorizer Specialist position, an existing position in MDE's Charter School Center, is currently vacant; MDE expects to fill the position in the next few months. This professional position coordinates MDE's work with charter school authorizers and will be partially funded under MDE's federal CSP grant to support Objectives Two and Three.

The Accountability Specialist is a new position that would be filled upon receipt of a grant award notification from USDOE. This position will play an essential role in the development of our state’s new charter school accountability framework proposed under Objective Two. The Accountability Specialist would be funded through MDE’s CSP grant at a full-time level in the first two project years to fully develop the accountability framework. The position’s time charged to the grant would then decrease to part-time in year three and quarter-time in years four and five as Minnesota’s new charter schools accountability framework is institutionalized.

Marsha Davis Busch is the Administrative Assistant in MDE’s Charter School Center and has worked at MDE for ten years. Her grant-funded activities will include communications, processing payments and stipends, posting information to MDE’s website and organizing grant meetings, workshops and larger events.

MDE proposes the following levels of effort for staff members assigned to this grant project:

MDE Project Staff		
Staff Member	Position	Level of CSP Effort*
Cindy Murphy	CSP Project Director	1 FTE
Cecilia Cannon	Grant Specialist	1 FTE
David Hartman	Charter School Supervisor	.10 FTE
Marsha Davis-Busch	Administrative Assistant	.25 FTE
Vacant – Existing Position	Charter Authorizer Specialist	.25 FTE
Vacant – New Position	Accountability Specialist	1 FTE = yrs 1 and 2; .50 FTE = yr 3; and .25 FTE = yrs 4 and 5

*=for each year of five-year grant project unless otherwise noted

Key tasks, responsibilities, timelines and milestones for each project objective are presented in the management plan charts below.

Objective 1: To use federal CSP grant funding to increase the number of high-quality charter schools in the state that assist educationally disadvantaged and other students in meeting state academic content standards and state student academic achievement standards			
Strategy 1.1 Inform teachers, parents, and communities of the SEA’s charter school grant program			
Project Tasks (Activities)	Responsibilities	Timelines	Milestones
Conduct outreach sessions	CSP Project Director	Sessions held approximately every 3-4 months over the course of the five-year grant project	Outreach is conducted via sessions no less than three times per year
Conduct technical assistance sessions to potential applicants	CSP Project Director	Sessions conducted for each semi-annual funding cycle; sessions held approximately 4-6 weeks before grant deadline	At least 80% of applicants participate in a technical assistance session each funding cycle
Widely disseminate CSP funding opportunities	Administrative Assistant	Funding announcement issued when each semi-annual grant opportunity is posted	All grant opportunities posted 45-60 days before grant deadline
Strategy 1.2 Encourage replication of high-performing models			
Project Tasks (Activities)	Responsibilities	Timelines	Milestones
Identify high-performing models from Minnesota and other states	CSP Project Director	Ongoing; initial identification work concentrated in first two project years	High-performing models identified and publicized by end of second project year
Facilitate connections between identified high-performing school operators and Minnesota’s approved authorizers	CSP Project Director and Administrative Assistant	Ongoing; operator-authorizer events will be held annually beginning in the third project year	At least three events held by end of five-year grant project
Strategy 1.3: Conduct federal CSP subgrant funding cycles to award planning and implementation grants to: new high-quality schools; existing high-quality schools for significant expansions; and existing high-quality schools to start a separate school under the same charter			
Project Tasks (Activities)	Responsibilities	Timelines	Milestones
Conduct subgrant funding cycles	CSP Project Director	Semi-annual funding cycles conducted in the spring and fall of each project year	Two funding cycles conducted per project year

Implement rigorous peer review	CSP Project Director	Semi-annual peer review of applications; review commences approximately one week after applications are received and concludes approximately four weeks after receipt of applications	<ul style="list-style-type: none"> Peer reviewers are trained before review process begins Three to five qualified peer reviewers individually review each proposal Review session held after individual reviews are completed
Award subgrants to selected applicants	CSP Project Director and Grant Specialist	Semi-annual awarding of sub grants; grant negotiation, finalization and award process takes two to four weeks after peer review concludes	Planning/Implementation grants begin approximately 6-8 weeks after applications submitted to MDE
Strategy 1.4 Implement monitoring and evaluation system to ensure subgrants support the development and establishment of high-quality charter schools			
Project Tasks (Activities)	Responsibilities	Timelines	Milestones
Desk monitoring of expenditures	Grant Specialist	Ongoing; monthly desk monitoring of expenditure reports and payment requests; review of source documentation at least once per project year	Sample source documents reviewed three times during 36-month subgrant period for all subgrantees
Assess annual subgrant performance reports	Grant Specialist and Project Evaluator	Ongoing, usually in fall of each year; subgrantees submit reports within 30 days of end of each project period; MDE review of subgrant performance reports completed within 30 days of report submission	All subgrantees receive annual feedback on performance reports within 30 days of report submission
Conduct on-site monitoring visits	Grant Specialist and CSP Project Director	Ongoing; monitoring visits conducted during second project period	All subgrants receive an on-site monitoring visit by end of first Implementation period

Conduct summative assessment of each subgrant	Grant Specialist and Project Evaluator	Ongoing, based on end of each 36-month subgrant; subgrantees submit final reports 30 days after project concludes; summative assessments provided to schools and authorizers within 60 days of final report submission	Summative assessments issued to all subgrantees and authorizers within 90 days of end of 36-month grant project
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Objective 2: Establish and implement a comprehensive and rigorous charter school accountability framework to increase academic performance and decrease the achievement gap at Minnesota charter schools			
Strategy 2.1 Establish and disseminate an accountability framework that is consistent with other state accountability initiatives including the statewide longitudinal data system, MDE’s strategic plan funded through NACSA’s Fund for Authorizing Excellence, priorities of the Minnesota Legislature and other state accountability and assessment initiatives being developed by Minnesota’s new education commissioner			
Project Tasks (Activities)	Responsibilities	Timelines	Milestones
Develop and refine accountability framework	Lead: Accountability Specialist	Ongoing work concentrated in the first two years of grant project; work will commence early in first project year with hiring of Accountability Specialist	<ul style="list-style-type: none"> Interim measures (definition of high-quality charter school) used until comprehensive accountability framework established Accountability framework established by end of second project year
	Secondary: Charter Authorizer Specialist		
	Oversight: CSP Project Director and CS Supervisor		
Disseminate framework to authorizers and schools	Lead: Accountability Specialist	Ongoing; quarterly informational sessions held during second project year; continued dissemination thereafter	<ul style="list-style-type: none"> At least four information sessions held to inform charter schools and approved authorizers of accountability framework developments Additional opportunities for public comment and feedback will also be
	Secondary: Charter Authorizer Specialist		
	Oversight: CSP Project Director and CS Supervisor		

			provided for authorizers, schools and other stakeholders
Work with state legislature to include approved authorizers as appropriate state parties to access individual student performance data under FRPA or develop a system to provide approved authorizers with anonymous, but individualized, performance data for students attending schools they charter	Accountability Specialist, CSP Project Director and CS Supervisor	Majority of work preceding and during 2012 state legislative session	Access provided to approved authorizers by 2012-13 school year
Strategy 2.2 Support the effective implementation of accountability framework to ensure charter schools are meeting growth and attainment performance targets			
Project Tasks (Activities)	Responsibilities	Timelines	Milestones
Provide annual performance data to charter schools and authorizers	Accountability Specialist and Charter Authorizer Specialist	Ongoing work, resulting in annual charter school performance data distributed to charter schools and approved authorizers by late fall each year beginning with 2012-13 school year data	Charter school accountability performance data provided annually to charter schools and approved authorizers beginning in third project year
Hold technical assistance sessions with approved authorizers (i.e., MDE-authorizer conferences) to review accountability framework and formalize implementation and evaluation strategies	Charter Authorizer Specialist	After accountability framework is established, initial MDE-authorizer conferences will be held in the fall of 2013 and in the fall each year thereafter	All approved authorizers will participate in annual MDE-authorizer conferences beginning with third project year
Strategy 2.3 Support authorizers' renewal decisions based on schools' performance under the accountability framework			

Project Tasks (Activities)	Responsibilities	Timelines	Milestones
Provide individualized technical assistance to authorizers regarding renewal decisions	Charter Authorizer Specialist	Ongoing	MDE provides individual technical assistance as requested
Facilitate authorizer networking and resource sharing	Charter Authorizer Specialist	Ongoing	Upon request, MDE facilitates networking between authorizers to address challenging high-stakes charter renewal decisions
Develop clear and transparent charter closure guidance for authorizers and schools	CS Supervisor and CSP Project Director	Ongoing during first year of grant project	Charter school closing guidance finalized and published by the end of first project year

Objective 3: To improve the capacity of authorizers to effectively authorize, monitor and hold accountable charter schools to increase the percentage of high-quality charter schools in the state			
Strategy 3.1 Continuously improve and refine the state’s authorizer approval process to ensure maximum effectiveness and transparency			
Project Tasks (Activities)	Responsibilities	Timelines	Milestones
Conduct authorizer approval process	Lead: Charter Authorizer Specialist	Ongoing; authorizer approval process held in the late summer; newly-approved authorizers notified in fall	Authorizer approval process conducted each year
	Oversight: CS Supervisor		
Refine the authorizer approval process	Lead: Charter Authorizer Specialist	Process feedback solicited by applicants each fall, at the conclusion of each approval cycle	Continuous improvement results in annual updates to authorizer application rubric and review process
	Oversight: CS Supervisor		
Strategy 3.2 Provide ongoing monitoring of authorizer practices to promote effective authorizing in the state			
Project Tasks (Activities)	Responsibilities	Timelines	Milestones

Establish monitoring benchmarks	Lead: Charter Authorizer Specialist	Ongoing during first year of grant project	Authorizer monitoring protocol established by end of first project year
	Oversight: CS Supervisor		
Implement monitoring protocols	Lead: Charter Authorizer Specialist	Ongoing beginning with second year of grant project	MDE engages in annual monitoring activities with all approved authorizers
	Oversight: CS Supervisor		
Strategy 3.3 Refine and implement authorizer evaluation system to verify effective authorizing practices are used to make high-stakes charter renewal decisions			
Project Tasks (Activities)	Responsibilities	Timelines	Milestones
Refine and finalize authorizer evaluation system	Lead: Charter Authorizer Specialist	Ongoing during first project year	Authorizer evaluation system finalized by end of first project year
	Oversight: CS Supervisor		
Implement authorizer evaluation system	Lead: Charter Authorizer Specialist	Ongoing beginning with second year of grant project	<ul style="list-style-type: none"> Evaluation activities initiated in second project year MDE completes an authorizer's evaluation before authorizer is approved for subsequent five-year term
	Oversight: CS Supervisor		

Objective 4: To disseminate promising and innovative practices of high-quality charter schools to each LEA in the state			
Strategy 4.1 Promising and innovative practice standards will be developed in coordination with resource organizations that is aligned with the charter school accountability framework and <i>Governor's Award for Excellence in Education</i> and <i>Governor's Achievement Gap Innovation Fund</i>			
Project Tasks (Activities)	Responsibilities	Timelines	Milestones

Develop selection criteria and selection process	CSP Project Director	Initiative developed during first project year; updates made each subsequent year before annual request for proposals (RFP) is published	RFP and selection criteria/process developed and published by August, 2012
Advertise opportunity broadly throughout the charter school community	CSP Project Director	Late summer of 2012 and late spring and summer of each year thereafter	Annual opportunity to submit a proposal is widely promoted beginning in 2012
Hold informational/technical assistance sessions for eligible schools	CSP Project Director and Administrative Assistant	August to September each project year beginning in 2012	At least one technical assistance session offered to eligible charter schools after RFP is published each year
Strategy 4.2. Select promising and innovative charter school practices			
Project Tasks (Activities)	Responsibilities	Timelines	Milestones
Highest-performing schools identified	Lead: Accountability Specialist	Annually, after state performance data is generated for all schools	Five top-performing charter schools are identified each year beginning in 2012
	Oversight: CSP Project Director		
Highest-performing schools actively recruited to submit promising and/or innovative practices	CSP Project Director	Annually, in mid- to late-summer after highest-performing charter schools are identified	Top-performing charter schools are officially invited by commissioner of education to submit a proposal
Conduct selection processes	CSP Project Director	Annually; conducted in the early fall of each year	At least one high-quality charter school's promising and/or innovative practice will be selected annually beginning in 2012
Strategy 4.3 Broadly publish promising and innovative practices of high-quality charter schools to each LEA in the state			
Project Tasks (Activities)	Responsibilities	Timelines	Milestones
Provide financial awards to	CSP Project Director,	Ongoing; financial awards provided in the	Provide financial awards to

selected schools to develop replicable materials	Grant Specialist and/or Administrative Assistant	late fall beginning in 2012 and annually thereafter	selected schools each year beginning in 2012
Publish and disseminate results of competition and selected charter school(s)' replicable materials through a variety of electronic, print, virtual and in-person activities	CSP Project Director and Administrative Assistant	MDE develops and disseminates publication of selected school(s) early in 2013 and in the winter of each year thereafter	Beginning in 2012-13, at least one highest-performing charter school's promising and/or innovative practice will be annually disseminated to all LEAs in the state
		Selected schools disseminate best practices during winter and spring months; beginning with the 2012-13 school year and each year thereafter	
		MDE hosts an annual best practice school showcase for all LEAs in the state -or- Charter School Center hosts an annual best practices school showcase (specific date TBD)	

How the SEA will inform each charter school in the State about Federal funds the charter school is eligible to receive

State and federal funding announcements (e.g., competitive and discretionary grant opportunities) are shared with charter schools as they arise, often on a weekly basis. These opportunities are communicated via direct mail, email and through Title Area Directors in MDE's Elementary and Secondary Education Act (ESEA) Federal Title Programs Division. For example, MDE emails a weekly news update to all school district superintendents and charter school directors; the Charter School Center publishes an electronic newsletter, the *Charter Schools Update*, one to two times per month for the charter school community and charter schools also receive funding information via the Title I list serve. MDE communicates federal and state funding opportunities so that charter schools are aware of and have access to all opportunities available to LEAs in Minnesota.

Minnesota has an electronic ESEA application process in the State Educational Record View and Submission (SERVS) Financial System. Training for SERVS is provided for school staff involved with the application process. Each charter school is assigned an Area Director (staff person from MDE) who is their designated liaison for technical assistance needs. Charter schools are also notified of the availability of federal funds for special education through the posting of allocations to MDE's website and notices sent to listservs for special education directors and other school contacts.

Charter schools are also invited to apply for participation in U.S. Department of Agriculture (USDA) School Nutrition Programs via training workshops or through MDE's Food and Nutrition Service website. Schools are notified of these training opportunities through MDE's *Charter School Update* and through the Training Calendar on MDE's website. Schools participating in School Nutrition Programs receive funds to provide healthy meals or milk to

students and charter schools are eligible to apply for participation in all USDA School Nutrition Programs administered by MDE.

How the SEA will ensure that each charter school in the State receives the school's commensurate share of Federal education funds that are allocated by formula each year, including during the first year of operation of the school and during a year in which the school's enrollment expands significantly:

Consolidated Federal Programs: In Minnesota, charter schools are treated as school districts/LEAs for the purposes of receiving guidance, technical assistance and training. The ESEA Title Programs Division at MDE notifies existing charter schools of their Title allocations in the same manner as any other district. MDE offers "Project Writing Workshops" in various regions of the state and WebEx training modules to help eligible schools better understand the requirements of ESEA Title Programs in order to write strong plans for the use of their federal Title funds.

MDE notifies newly opening charter schools of their eligibility and preliminary allocations in August prior to opening. Preliminary allocations are based on projected enrollment numbers and free and reduced-price lunch counts. Once preliminary allocations are determined, they are communicated to schools along with necessary information to complete the ESEA Title Applications. When a new charter school applies for federal Title funds, the Title Grants Officer works closely with the school to ensure that all necessary information is submitted to document eligibility. In the event a new charter is not prepared to write and submit an application by the December 1 deadline, they may request a waiver to carry over funds for use the following year.

Eligibility and preliminary allocations for charter schools opening for the first time are based on projected enrollment data submitted to MDE's Division of Program Finance in June before the school opens. The projected total enrollment, free and reduced-priced lunch and English Language Learner student data are then used to determine preliminary eligibility and to calculate preliminary allocations for Titles I Part A, II, and III. Notification of the charter school's

preliminary eligibility and allocations based on the projected data is mailed to each individual school. In October of their first operational year, new charters attend a training session that walks them through the application process. At this training, new schools are asked to validate data submitted through the October 1 Minnesota Automated Reporting Student System (MARSS) data submission. The verified data are then used to determine actual eligibility status and allocations for Titles I Part A, II and III. Applications for these federal funds for charter schools opening for the first time are due in November.

MDE provides additional assistance to accommodate a substantial increase in the number of students attending a charter school due to a significant event that is unlikely to occur on a regular basis, such as the addition of one or more grades or educational programs in major curriculum areas. If the addition of a new grade or the addition of a new curriculum area has significantly affected the enrollment of the character school, then the charter school may request that MDE use current data submitted through the October 1 MARSS student data submission process. Specifically, MDE only accepts current enrollment data from schools that have: 1) added a new grade level; 2) added a new curriculum area; or 3) experienced a 25 percent net growth in total student enrollment from the prior year. Notice of the changes in enrollment due to any of the above situations must be submitted in writing to MDE by October 30 of the current school year.

Special Education Funding: The Special Education Funding and Data Team makes federal special education funds available to charter schools once they are approved through the state application process. Charters receive notice of federal entitlement and receive funding by reporting eligible special education expenditures through an automated reporting system. New charter schools receive a federal allocation based on estimates of special education child count submitted as part of their program approval. Federal allocations are recalculated using final child

count numbers in February of each year. Allocations are regularly adjusted for new and significantly expanded charter schools as part of MDE's annual allocation of federal funds. State special education revenue is paid directly to charter schools for essential personnel, special instructional supplies and equipment, and contracted services for pupils with Individual Education Plans. Costs for providing special education services not covered by state special education aid are covered through the MDE Tuition Billing System through a negative adjustment in state special education aid from the resident district and a positive adjustment in state special education aid to the charter school.

The Special Education Funding and Data Team, comprised of six full-time staff members, provides a multitude of training opportunities and extensive technical assistance to support developing and operational charter schools. Charter schools are considered LEAs for purposes of receiving special education funds in Minnesota and are informed on the availability of funds through the same communication vehicles as traditional school districts and complete the same application process. Charter information comes from the MARSS child count; however, a count of students with disabilities who are attending new or significantly expanded charter schools is not available until after the December 1 child count is completed and edited, so an individualized calculation is conducted based on projections submitted by the new or significantly expanding charter school.

Food and Nutrition: Charter schools that choose to participate in the School Meal Programs are eligible for funding based upon the number of reimbursable meals served to students eligible for free, reduced, or paid meals. Technical assistance is available to ensure charter schools are meeting the requirements of program participation, including free/reduced-price meal applications, USDA commodity foods, menu planning, nutrient analysis, meal counting and

claiming, standard operating procedures, catering contracts, serving students with disabilities, wellness policies and safety and sanitation.

Charter schools who are approved to participate in the School Meals Programs receive ongoing monitoring, training, and technical assistance. Schools are invited to participate in ongoing live training workshops; MDE's Food and Nutrition Service's website offers several Web-Ex tutorials available to participants unable to attend live training sessions; and a comprehensive on-site review and menu nutrient analysis is conducted during a new school's second year of operation and every five years thereafter (or more frequently if needed). One-on-one and group technical assistance and training is routinely provided to charter schools and in the event of a significant expansion, charter schools receive individualized technical assistance and resources to determine additional eligibility.

The Secretary encourages the applicant to describe any compliance issues or findings related to the CSP that have been identified in an audit or other monitoring review, as well as the steps taken to address such compliance issues or findings:

Minnesota's Federal CSP Grant Project was monitored by WestEd in January 2010. The monitoring report was finalized in December 2010 and included ratings for 30 monitoring indicators; 1 = State does not meet the indicator; 2 = State partially meets the indicator; or 3 = State fully meets the indicator. Minnesota received 24 "3" ratings (80 percent of indicators); five "2" ratings (17 percent); and one "1" rating. The large percentage of "3" ratings received reflects the overall quality and strength of Minnesota's grant project. However, ratings below a "3" present opportunities for program improvement and MDE has already taken steps to address the indicators not fully met at the time of WestEd's monitoring visit. For instance, Indicator 1.1 requires states to include required descriptions and assurances outlined in section 5203 of ESEA, including that related to waivers. MDE recently incorporated the opportunity "...to request

waivers of any federal or state statutory or regulatory provisions that the applicant believes are necessary for the successful operation of the charter school...” on page 17 of Minnesota’s 2010 Federal CSP Planning Grant Opportunity Notice in the Appendix of this application.

Two of the “2” ratings received address Dissemination subgrant application and awards. Minnesota has experienced challenges similarly faced in other states regarding the limitations of the Dissemination Grant option and has realized limited success in this area. MDE consistently hears from high-performing schools that they are not inclined to develop comprehensive Dissemination Grant proposals because the incentive to do so is limited (e.g., a Dissemination Grant is wholly focused on assisting other, unaffiliated schools in achieving success and provides minimal benefit to the selected school, participation in a Dissemination Grant project takes the school leader and/or instructional leadership away from their school to assist other schools, and/or a school realizing exceptional results does not necessarily also possess the skills or expertise to effectively disseminate best practices to struggling schools or assist in the development of new schools.) Because of these persistent barriers, MDE does not propose to award Dissemination Grants per section 5204(f)(1) of the ESEA in this grant application.

Instead, Minnesota proposes a new tactic – to identify, recruit and award high-performing charter schools and facilitate the dissemination of their promising and innovative practices by awarding “mini-grants”, from the 5% Administrative Cost allowance, that are much easier and time-effective to manage. Essentially, MDE will support and facilitate the efficient dissemination of best practices by rewarding identified high-quality schools, yet making the effort as minimally interruptive and burdensome to selected schools as possible. Please see Objective Four under *Selection Criteria (i)* for additional information. This project objective also addresses the sole “1” rating Minnesota received for monitoring indicator 2.4: *The State disseminates best or*

promising practices of charter schools to each LEA in the state. To further address this finding, MDE has prioritized in this grant application the dissemination of high-quality charter schools' best, promising and innovative practices to all LEAs in the state.

The final "2" ratings were received for indicators: *1.6: CSP subgrants awarded by the State do not exceed the maximum program periods allowed;* and *3.3: The State demonstrates substantial progress in meeting its application objectives and improving educational results for all students.* Indicator 1.6 has been resolved; while MDE provided total funding periods that covered more than 36-months in the past, funding was not always consecutive and a subgrantee's total funding period (from the start date of their Planning period to the end date of their second Implementation period) may have included a gap, such as when a new school delayed opening. However, the total active funding period never exceeded 36 months (unless a waiver was received). USDOE instructed MDE to discontinue this practice and only award subgrants for 36 months of consecutive funding; MDE has responded accordingly for the last two years.

The rating for indicator 3.3 was based on the finding that Minnesota did not fund the number of subgrants projected in our previous grant application. Our state's last application, approved by USDOE in 2005, was submitted during a time of significant growth in the number of new schools annually chartered in our state. However, as previously addressed in Application Requirement (vi), Minnesota has experienced a significant decline in the number of new schools chartered and schools funded with federal CSP grants over the last several years. A more reasonable growth in the number of subgrants to be awarded is proposed in this application, with a smaller number of subgrants funded in Year One, incremental growth through Year Three and a leveling off in Years Four and Five. The number of subgrants proposed is based on our state's recent chartering activity and federal CSP funding rates, widespread interest in federal CSP

grants for the significant expansion of high-quality schools and specific projections from approved authorizers regarding their chartering plans for the next five years.

Selection Criteria (v): The SEA's plan to monitor and hold accountable authorized public chartering agencies:

MDE was awarded a strategic planning grant in 2010 from NACSA to create a plan of action for MDE's first five years of authorizer oversight now that MDE is responsible for approving authorizers. The goal of this strategic plan is reflected in Objective Two of this application: *To improve the capacity of authorizers to effectively authorize, monitor and hold accountable charter schools to increase the percentage of high-quality charter schools in the state.* Please see *Selection Criteria (i)* for complete information.

As MDE moves to establish systems to effectively monitor and evaluate authorizers, strategic planning has served to clarify the roles and expectations of the state and of authorizers. MDE's Charter School Center's work in overseeing authorizers will focus on the following core functions:

- Setting expectations and managing performance (clarify state performance expectations for charter schools; and establish and hold charter school authorizers accountable for meeting performance expectations);
- Supporting effective charter school authorizing (approve, support, monitor and evaluate charter school authorizers; provide technical assistance to help authorizers navigate the state charter school process; and recognize and support the dissemination of authorizer best practices);
- Communicating about charter schools (communicate a state vision of the role of charter schools in improving student achievement; communicate expectations for charter schools

and charter school authorizers; publicly report on authorizer and charter school performance; and respond to public inquiries regarding charter schools); and

- Supporting development of high performing charter schools (facilitate charter school/authorizer links to other MDE resources; and support development and expansion of high performing charter schools and dissemination of charter school best practices through federal grants and other external resources).

Charter school authorizers are responsible for maintaining high standards for schools, upholding school autonomy, and protecting the interests of students and the public. Authorizer key functions include:

- Supporting the start-up and development of high-performing schools (recruit and support organizations with the capacity to operate high-performing charters; conduct a fair and transparent new schools application process; and facilitate school access to the resources necessary for their success);
- Set clear expectations for schools (execute contracts with charter school operators with clear, measurable and attainable performance standards and targets);
- Monitor and evaluate school compliance and performance (monitor school compliance with terms of the charter school contract and state and federal laws including student achievement and fiscal, ethical, operational and student service requirements; and prepare periodic reports summarizing school performance and compliance); and
- Intervene and, when necessary, close schools that fail to meet standards and performance targets (provide schools with timely, clear evidence-based notice of contract violations or performance deficiencies; and close failing schools in a manner that minimizes disruption for students and their families).

While not yet complete, the state’s authorizer oversight strategic plan is based on a theory of action: *If MDE establishes ambitious goals for student achievement based on both growth and attainment on multiple measures, selects authorizers who have the capacity and commitment to meeting the authorizing standards, and monitors authorizer performance, then over time all students enrolled in charter schools will outperform legitimate comparison groups, exceed state averages, eliminate the achievement gap, and graduate from high school prepared for college and career readiness.*” The state will begin to realize this theory through the following key strategies:

- Work with authorizers, resource organizations and other stakeholders to develop a charter school accountability framework based on multiple measures of a charter school’s contributions to both student growth and attainment at all grade levels.
- Provide regular and ongoing public reports on authorizer performance based on the new charter school accountability framework.
- Work with authorizers, resource organizations and other stakeholders to support effective replication of successful school models with a documented record of success located both within and outside Minnesota.
- Identify communities, both geographic and socioeconomic, with a need for high performing public schools and work with authorizers, resource organizations and stakeholders to support the development of high-quality charter schools within those communities.
- Work across MDE to communicate about charter schools, charter school authorizing, the charter school accountability framework and school and authorizer performance data to multiple audiences.

MDE's work with authorizer oversight has just begun. This grant application proposes a five-year plan that includes the development and implementation of a state oversight system to improve authorizers' capacity to effectively authorize, monitor, and hold accountable charter schools to increase the percentage of high-quality charter schools in the state.

Selection Criteria (vi): In the case of SEAs that propose to use grant funds to support dissemination activities:

Minnesota does not propose to use grant funds to support dissemination activities under section 5204(f)(6)(B).

Selection Criteria (vii): Quality of the project evaluation:

The evaluation plan is designed to generate quantitative and qualitative data to demonstrate the extent to which benchmarks and outcome measures are achieved for Minnesota's proposed objectives. Benchmarks and outcomes are presented for each objective in *Selection Criteria (i)*. Considerable resources will be dedicated to project evaluation to ensure the goals of this project are realized. MDE expects to dedicate approximately 10 percent of the administrative costs budget to project evaluation over the five-year grant project. MDE will secure the services of a highly-qualified external evaluator to finalize the evaluation design and conduct project evaluation activities. MDE cannot, however, identify an external contractor until an open and competitive selection process is conducted per state procurement requirements once a grant award notice is issued by USDOE. MDE will publish a request for proposals (RFP) to select a project evaluator as soon as USDOE indicates intent to issue an award and the RFP will address evaluator qualifications and the proposed evaluation plan and design. Specifically, a qualified evaluator will be selected based on: the extent to which the respondent meets project evaluator qualifications; the quality of the proposed evaluation plan; and the extent to which the cost is

within contract limits and reasonable given proposed activities, personnel, timelines and deliverables.

Qualifications: Key qualifications for the evaluator will include: ability to gather, analyze, interpret and report both quantitative and qualitative data in meaningful ways to inform program improvement and determine the extent to which proposed results are achieved; ability to develop and implement program evaluation tools to effectively gather information about program implementation activities; knowledge about program evaluation and measures for K-12 educational programs designed to increase accountability, performance and achievement; ability to gather, analyze and interpret comparable data for a variety of Minnesota charter schools with complex programs that have different, yet related, accountability goals; knowledge and experience linking quantitative and qualitative data to inform program improvement and measure program effectiveness; qualitative and quantitative analysis skills sufficient to evaluate results and critique the analytical methods proposed; data-collection expertise to generate performance data for multiple measures; and ability to assist MDE in reporting evaluation information to stakeholder groups including USDOE and the Minnesota legislature.

Evaluation Plan: Once selected, the evaluator will work with the CSP Project Director and Accountability Specialist to refine the evaluation plan in order to provide and utilize feedback on the progress of project activities and to evaluate the project's overall effectiveness in meeting proposed objectives and performance measures. This evaluation will include both formative and summative components that examine the context, processes, progress and outcomes related to project activities.

The formative evaluation will assist with ongoing efforts to modify and improve the project content and processes by examining program planning, development, implementation and

progress against benchmarks. At the beginning of the project, the evaluator will meet with CSP project staff to review planned activities and project objectives to finalize the evaluation design for all four proposed objectives. This work will be coordinated with technical assistance from national providers if USDOE continues to provide project evaluation support to SEA grantees. The evaluation design will be refined to verify: planned activities will achieve project objectives, including appropriate adjustments to benchmarks of progress; data to be collected; and methods and timelines for reporting progress data are appropriate for each objective. A progress reports will include a description of the nature of services or activities implemented during the reporting period, documentation of the number and characteristics of participants or users and perceptions of supports and barriers to effective implementation for each of the four project objectives. Data from the formative evaluation will be reported in semi-annual evaluation updates that will contribute to MDE's performance reporting to USDOE.

The summative evaluation will examine the effectiveness and impact of the project in achieving project objectives and identify the mechanisms and strategies by which the project objectives – including intended and unintended outcomes – were achieved. In the process of finalizing the evaluation design, the evaluator and MDE will refine outcome measures as needed and to the extent supported by USDOE. Data collection will include mixed methods (e.g., analysis of performance data, stakeholder surveys, achievement testing, telephone and in-person interviews, review of performance reports and other program materials) to examine the impact of the project on: increasing the number of high-quality charter schools in the state; establishing and implementing a comprehensive and rigorous charter school accountability framework to increase academic performance and decrease the achievement gap at Minnesota charter schools; improving the capacity of authorizers to effectively authorize, monitor and hold accountable

charter schools; and disseminating promising and innovative practices of high-quality charter schools to each LEA in the state.

Findings from the summative evaluation will be included in a final evaluation report, which will include a summary of project outcomes, effective program strategies and models, implementation barriers and supports, and a discussion of opportunities for replication and sustainability. Types of summative (i.e., impact) data to be collected include: 1) effectiveness of information dissemination to teachers, parents, and communities; 2) the extent to which federal CSP subgrant funding relates to the establishment or significant expansion of a high-quality charter school; 3) the extent to which federal CSP subgrant funding results in effective replication of high-performing models, improving high school achievement and graduation rates, promoting diversity and improving productivity; 4) the extent to which authorizer renewals of subgrant schools are based on the school's performance under the federal CSP grant project; 5) whether an increased percentage and number of high-quality schools is achieved; 6) the extent to which authorizers make high-stakes charter renewal decisions based on a school's performance under the state's charter school accountability framework; 7) the number of highest-performing charter school's promising and innovative practices identified by the state; 8) the extent to which identified highest-performing charter school's promising and/or innovative practices are disseminated to all LEAs in the state; and 9) other components identified by USDOE, MDE and the project evaluator.

Evaluation Design: In responding to the RFP, applicants will propose an evaluation strategy for each of the four project objectives. The strategy will address: 1) the types of data to be collected; 2) when various types of data will be collected; 3) the methods that will be used; 4) the instruments that will be developed and when; 5) how the data will be analyzed; 6) when reports

of results and outcomes will be available; 7) how information collected through the evaluation will be used to monitor progress; and 8) how results will indicate initial success and effective strategies for replication. Once an evaluator is selected, they will work with CSP project staff and as appropriate, USDOE technical assistance providers, to finalize the evaluation plan for each objective. Evaluation plans for the five-year grant project will be finalized and submitted to USDOE no later than six months after a grant award is issued.

Evaluation of Minnesota's Federal CSP Grant Project over the next five years is especially critical to increasing the quality of charter schools in the state. As baseline data from the initial years of program implementation are compared to performance data in subsequent years, emerging trends and opportunities for program improvement will become clear, and more substantive conclusions can be drawn about the success of Minnesota's Federal CSP Grant Project as it relates to outcome measures listed above.

Project Narrative

Other Narrative

Attachment 1:

Title: Pages: Uploaded File: **1236-MN CSP Appendix.pdf**

Minnesota's Federal Charter Schools Program Grant Project

Appendix

- 1. Resumes of Key Project Staff**
- 2. Letters of Support**
- 3. Authorizer Application Packet**
- 4. Minnesota's High Quality Charter School Calculations Explained**
- 5. A 7-Point Plan for Achieving Excellence**
- 6. Minnesota's 2010 Federal CSP Planning Grant Opportunity Notice and Review Rubric**



MN ASSOCIATION OF
CHARTER SCHOOLS

Unleashing education from convention

March 17, 2011

Secretary Arne Duncan
U.S. Department of Education
LBJ Education Building, Room #7W311
400 Maryland Avenue, SW
Washington, DC 20202

Dear Secretary Duncan,

Minnesota, the birthplace of the charter school movement, has accomplished much as a recipient of a Federal Charter School Program Grant over the last several years - including the creation of a significant number of quality charter schools serving populations with extraordinarily high percentages of educationally disadvantaged students.

The Minnesota Association of Charter Schools (MACS) believes that much more can be accomplished to enhance quality chartering in Minnesota with a new Federal CSP grant.

Our Association has focused our efforts to foster, create, and sustain high quality charter schools around three areas:

As the public policy voice of Minnesota's charter schools, our Association led a multi-year effort to enact Minnesota's "second generation" charter school law in 2009, which strengthened and expanded the role and responsibilities of authorizers to ensure quality authorizing, enhanced the transparency of the chartering process, raised school accountability and increased the documentation of innovations in charter schools.

As a facilitator of charter school growth, our Association works with charter school developers to ensure that new charters are focused on quality from the concept stage by offering seminars, such as "So You Want to Start a Charter School," and training on a variety of critical charter school formation issues including academic and operational goal setting. Together with the Center for School Change, we have also conducted intensive charter school application reviews as a service to school developers before their final submission to their potential authorizer.

As a champion of building the capacity of schools to sustain quality, our Association has partnered with the University of St. Thomas to create a charter school leadership program, created an array of tools and

training for charter boards, and developed resource guides for schools to address the unique aspects of human resource management and development of charter schools.

As an advocate of ensuring quality charter schools, our Association has also worked with and stood behind authorizers when they have determined that a school must be closed when it is not meeting the standards of quality to which it agreed in its charter contract.

Finally, we believe that Minnesota's Federal CSP grant over the last few years has not only assisted in the establishment of quality charter schools; it has also helped the entire charter school movement, schools, authorizers and resource organizations focus their efforts on setting high expectations and sustaining a focus on quality and innovation.

We believe that a new federal CSP grant can and would help the entire charter movement in Minnesota fulfill the promise and expectations laid out for chartering in Minnesota's "second generation" charter school law.

Sincerely,

A handwritten signature in black ink, appearing to read "Eugene Piccolo". The signature is written in a cursive, flowing style.

Eugene Piccolo
Executive Director



Minnesota Department of Education

March 14, 2011

Jim Shelton
Assistant Deputy Secretary
Office of Innovation and Improvement
U.S. Department of Education
400 Maryland Ave, SW
Washington, DC 20202

Dear Mr. Shelton,

I am writing in strong support of the proposal submitted to the U.S. Department of Education (USDE) by the Minnesota Department of Education (MDE) for a grant from the Charter Schools Program.

Charter School Partners (www.charterschoolpartners.org) is a nonprofit dedicated to nurturing and growing high quality charter schools in Minnesota and, especially, increasing the number of at-risk students served by high achieving schools. As a charter support organization, we focus on assisting schools in four key areas that have the greatest impact on school performance: leadership development, teacher quality, data-driven instruction, and effective governance. We have also launched an "incubation" program for urban charter schools, largely modeled on the work of New Schools for New Orleans.

Our team has experience serving on charter school boards (including two high performing schools and the state's only KIPP school), as a Teach for America corps member, as an official at MDE and USDE, and in nonprofit and entrepreneurial leadership. Charter School Partners receives funding from the Walton Family Foundation and local foundations and is a member of Cities for Education Entrepreneurship Trust (CEE-Trust).

Minnesota's charter school sector recently entered a "next generation" stage we refer to as "Chartering 2.0." Due to a 2009 overhaul, including the strengthening of authorizer accountability, the state's charter school law is regarded as the best in the country by national organizations. In addition, several analyses have confirmed that charters now comprise the vast majority of public schools in the Twin Cities metro area that are "beating the odds" in serving low-income students as measured by proficiency rates and growth on state assessments.

Given our mission and the evolution of chartering in Minnesota, we believe MDE's plans for leveraging federal grant dollars to accelerate the closing of persistent achievement gaps will be successful. They will not only address pent-up demand for replicating and expanding schools here that already have demonstrated promising results, but also help provide incentives for Charter Management Organizations (CMOs) with proven models elsewhere to open new schools in our state.

We look forward to collaborating with MDE and assisting its staff in meeting all of the thoughtful and well-crafted objectives for its new federal grant award. Thank you for your consideration.

Sincerely,

Al Fan
Executive Director



March 14, 2011

Brenda Cassellius, Commissioner
Minnesota Department of Education
1500 Highway 36 West
Roseville, Minnesota 55113

Dear Commissioner Cassellius:

We are responding to the request from Cindy Murphy to submit a letter of support for the state's Charter School Program grant application. We are encouraged to see your support for increasing the capacity of authorizers to ensure high-quality results and your support for growth models in evaluating the quality of results. Chartering is helping the state improve its overall accountability. And certainly replicating what works is always useful.

Beyond this, Minnesota will surely need to open new dimensions of quality not now known, discoverable only through innovation.

Over the past 20 years the charter program has been functioning as an R&D program for public education; producing, for example, a new way of organizing school, in the form of teacher-led or professional partnerships. This model is attracting interest of teachers, and their unions, around the country. Further, innovation is the means by which we are discovering new approaches to learning, ways to personalize the learning opportunity, an obvious key to reaching those not succeeding in the traditional system. And fundamental changes in the economy are reducing the demand for routine, even non-routine manual and cognitive skills, raising important questions about how we define achievement and what we mean by 'quality.'

State policy leadership in Minnesota recognizes how essential innovation has become. The President and his Secretary of Education are calling for increased emphasis on innovation, as evidenced by the proposal now for a DARPA (the section in the Defense Department from which the Internet came) in the field of education.

Ms. Murphy's letter to us suggested that we might engage with you in the next phase of defining the accountability framework. Our network of policy analysts and activists would welcome the opportunity to work with you and your staff to describe formally what constitutes a 'high-quality charter school.' That would necessarily open up a very constructive debate over the definition of achievement, whether Minnesota might see that definition as wider and more elastic than the current predominant federal focus on reading and math, essential as those skills are.

Sincerely,

Curtis Johnson

Curtis Johnson
Managing Partner
Education | Evolving
555 North Wabasha
Saint Paul, Minnesota 55102

Copy to:
Cindy Murphy
Federal CSP State Project Director
Minnesota Department of Education



Center for School Change
c/o Macalester College
1600 GRAND AVENUE
SAINT PAUL, MN
55105-1899

TEL: 651-696-6848
www.centerforschoolchange.org

March 16, 2011

To whom it may concern:

Having helped write Minnesota's pioneering charter law, having testified in more than 20 other states and several Congressional Committees, I'm keenly interested in having the charter public school movement fulfill its potential. This means having more charter public schools that help young people develop strong academic skills, as well as the ability and inclination to be an active, positive and constructive citizen. Well-spent, federal funds can make a big difference in expanding and replicating outstanding charter public schools.

Having worked with a variety of district public and charter schools for 2 decades, I'm encouraged to see that our Governor and Commissioner are encouraging wide recognition of these schools, along with efforts to help others adopt and adapt "best practices. Once again, well-spent, federal funds can help.

Our organization has worked closely with the Minnesota Department of Education over the last 20 years to

- Help train prospective boards and educators
- Learn more about the most effective schools
- Help others avoid mistakes others have made.

We hope to continue collaborating with the Minnesota Department of Education to help produce more excellent schools, which lead to more young people fulfilling their potential.

Sincerely

Joe Nathan, PhD and Director
Center for School Change



December 23, 2010

Dear Charter School Authorizer Applicant:

Thank you for your interest in submitting an application to become an approved charter school authorizer pursuant to Minnesota Statutes section 124D.10.

Minnesota led the nation in developing the first charter school law and charter schools have provided exciting new and innovative school choice options for Minnesota families and students since 1992. Historically, there is a direct correlation between a high-quality authorizer and a high-quality charter school. It is critical to ensure that charter school authorizers meet the highest standards of quality charter school oversight.

Again, thank you again for your interest in submitting an application.

Sincerely,

A handwritten signature in cursive script that reads "Alice Seagren".

Alice Seagren
Commissioner



**Minnesota Department of Education
Authorizer Request for Proposals**

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INTRODUCTION

In cities and states across the country, more public officials are seeing charter schools as one of several powerful and complementary strategies to improve public education in their communities. These officials are stepping forward to play a leading role in the development of a high-quality charter school sector. Local school superintendents, state superintendents, colleges, governors, mayors, university leaders, not-for-profits and others are taking bold action to develop plans, form public-private partnerships, allocate resources, provide facilities, and implement policies to support new charter schools that meet high standards.

From the moment that our legislature gave birth to charter schools by enacting the first charter school law in 1991, Minnesota has long been a leader in the charter school sector. The first charter school in the nation opened here in 1992. Since then, Minnesota charter schools have grown steadily to a total of 149 schools serving more than 35,000 public school students. Minnesota also has one of the highest authorizer-to-school ratios in the country with nearly 50 authorizers overseeing those 149 schools.

As a national leader in the charter school sector, we have learned through practice and experience that authorizers have a significant impact on the nature and quality of these public schools. The authorizer makes at least two critical decisions in the life of every charter school: whether to approve the application and whether to renew the school. In addition, the authorizer has an ongoing relationship with approved schools through which it needs to balance the need to represent the public interest in monitoring the school with ensuring that each school has the operational autonomy that is critical to the charter school idea. There are specific characteristics of an authorizer that fulfills those responsibilities well. This request for proposals is designed to facilitate authorizer evaluations that reflect and align with those characteristics in a clear, evidence-based manner.

The Minnesota Department of Education has worked closely with the National Association of Charter School Authorizers (NACSA) to develop this authorizer approval application process. NACSA was founded on the principle that every child should have the right to choose a high-quality school and advances this vision by promoting the establishment of quality charter schools through responsible oversight in the public interest. It is the only national organization that focuses exclusively on supporting and improving the quality of charter school authorizing as a means to increasing the number of quality charter schools. In addition, NACSA is the only organization to have developed and implemented a system for comprehensive evaluation of authorizer quality. The central language in Minnesota's new authorizer quality legislation draws directly from NACSA's *Principles and Standards for Quality Authorizing*, and this request for proposals aligns directly with both the Minnesota State Legislature's mandate and the quality authorizing principles that provide the foundation for that mandate.



APPLICATION REVIEW TIMELINE AND PROCESS

The request for proposals process begins with release of this request for proposals and ends with the department’s final decisions. Following are the key stages and dates of the process.

Request for Proposals Stage	Date
Request for Proposals Release	January 2011
Applicant Orientation/Information Sessions	January 12 & 13, 2011
Proposals Due (must be received by 2:30 p.m. Central Time)	By February 16, 2011
Applicant Interviews	Range of Dates
Approval/Disapproval Decisions and Notifications	By May 11, 2011; “Within 60 business days of the application deadline”
Submission to Demonstrate Satisfactory Remedy of Deficiencies	“Within 20 business days of notification”
Final Decisions	In accordance with statute

Application reviews will begin prior to the proposal due date, follow the sequence in which they were received, and adhere to Minnesota Statutes section 124D.10 Subd. 3(c), “the commissioner must approve or disapprove an application within 60 business days of the application deadline. If the commissioner disapproves the application, the commissioner must notify the applicant of the deficiencies and the applicant then has 20 business days to address the deficiencies to the commissioner's satisfaction.”

*As identified in Minn. Stat. § 124D.10 Subd. 3(b)(5), no more than three single-purpose authorizers may be approved by the commissioner

APPLICATION COMPONENTS

The authorizer certification process is designed to assess how well an authorizer is fulfilling its role, based on the requirements set out in Minnesota Statutes section 124D.10 (Charter Schools) and consistent with NACSA's *Principles & Standards for Quality Authorizing*.

Introduction

The authorizer certification process has four Parts, each part contains sections.

Part A: Statement of Interest

Section A.1: Mission and Vision

Section A.2: Capacity and Infrastructure

Part A is composed of a three to five page description of the authorizer's purpose, vision and capacity for charter school authorizing going forward. Relevant resumes and a five-year financial plan are requested as attachments to this section.

Part B: Evaluation of Existing of Proposed Practices

Section B.1: Application Decision-Making

Section B.2: Contracting and Oversight

Section B.3: Performance-Based Accountability

Section B.4: School Autonomy

Part B is composed primarily of documentary evidence related to the authorizer's existing practices (in the case of currently operating authorizers) or proposed practices (in the case of new authorizers, including single-purpose authorizers).

PART C: Evaluation of School Performance

Section C.1: Academic Performance

Section C.2: Fiscal Performance

Part C is composed of an analysis of fiscal and academic data associated with an authorizer.

PART D: Authorizer Interview

Part D will involve an interview of individuals relevant to the organization's authorizing duties. School directors and board chairs associated with active authorizers will be surveyed and invited to participate in an interview. The interview session will be conducted at the department and consist of questions generated by reviewers following their desk review of the application.



SUBMISSION INSTRUCTIONS

Complete Application

An authorizer should submit an application **only** once it considers the application to be complete. A complete application includes all required attachments and documentation of practices.

Preparing Responses

Read and adhere to the submission instructions for each part of the application.

Part A is a three to five page constructed response plus relevant attachments.

Part B is a request for documentation. Applicants are asked to compile and submit documentation of existing or proposed authorizing practices.

Part C reviews the performance of schools associated with an authorizer and includes analysis of fiscal and academic data. The department will compile school performance data for active authorizers; new authorizers may provide data to identify the performance of schools with whom they have a history of doing work.

Part D is an interview of individuals relevant to the organization's authorizing duties with the review team.

Attachments. Attachments submitted by the applicant are an essential supplement to the application. They include the following:

- Resumes of relevant personnel
- Five-year financial plan
- Evidence of Authorizer Practices
- Assurances (Application Cover Sheet 2)
- Any required organization documentation.

Submission Format

The applicant must submit a total of eight (8) unbound, clipped, or stapled hard copies of the application to the department. In addition, applicants must submit one (1) electronic copy of the application.

Document Sequence

It is important that you submit materials in an organized fashion, include page numbers or another reference system. Include documents in the same order that you list them on the Evidence of Authorizer Practices Document List (see Attachment B).



The Evidence of Authorizer Practices Document List should, in turn, follow as closely as possible the evaluation section to which they are relevant. In other words, documents related to application decision-making should be listed first and should be presented in the order listed on Table 1 (p 15). Data related to school performance should be listed at the end of Table 1 and should be presented last.

Electronic Format

An electronic version of the entire application should be submitted on a USB-compatible flash drive. Acceptable formats are Adobe PDF, Microsoft Word and Microsoft Excel.

Where to Submit an Application

Complete applications eight (8) hard copies and one (1) flash drive may be mailed or delivered to:

Minnesota Department of Education
Attn. Marsha Davis-Busch
Division of School Improvement
1500 Highway 36 West
Roseville, MN 55113

When to Submit an Application

An authorizer that chartered a school before August 1, 2009 that wishes to continue to authorize charter schools¹ must apply before June 30, 2011. To facilitate effective and efficient application and evaluation, the department intends to conduct an additional authorizer review process between now and the statutory deadline.

The submission deadline for the current application cycle (Winter 2011) is **February 16, 2011**. For each application cycle, the commissioner will make application decisions within 60 business days following the submission deadline.

Applications must be received by the department before 2:30 p.m. Central Time on the date due.

Application Cycle	Submission Deadline
Winter 2011 (current cycle)	February 16, 2011

Amending Responses

DO NOT send unsolicited amendments to the application following its initial submission; submitted applications are considered complete and will trigger the evaluation process to begin.



If an application is disapproved, the commissioner's notice will include reviewer feedback that identifies any content that has been reviewed as unsatisfactory. Per Minnesota Statutes section 124D.10 Subd. 3(c), if an application is disapproved, "the commissioner must notify the applicant of the deficiencies and the applicant then has 20 business days to address the deficiencies to the commissioner's satisfaction."

Questions regarding the application

Questions regarding the application are to be submitted in electronic form by January 28, 2011 to: mde.charterschools@state.mn.us. No phone calls, please. All questions and answers regarding the application process will be posted on the department's Website by January 28, 2011, at:

http://www.education.state.mn.us/MDE/Academic_Excellence/School_Choice/Public_School_Choice/Charter_Schools/index.html.

Disposition of Responses

Once an application is received, the department may release to the public the name of the authorizer and mailing address. All materials submitted in response to this request for proposals will become property of the state and will become public record in accordance with Minnesota Statutes section 13, after the evaluation process is completed. Completion of the evaluation process occurs when the commissioner has notified every applying organization of approval or disapproval. If the responder submits information in response to this request for proposals that it believes to be trade-secret materials as defined by the Minnesota Government Data Practices Act, Minnesota Statutes section 13.37, the responder must:

- Clearly mark all trade secret materials in its response at the time the response is submitted
- Include a statement justifying the trade-secret designation for each item
- Defend any action seeking release of the materials it believes to be trade secret, and indemnify and hold harmless the state, its agents and employees, from any judgments or damages awarded against the state in favor of the party requesting the materials, and any and all costs connected with that defense. This indemnification survives the state's award of a contract. In submitting a response to this request for proposals, the responder agrees that this indemnification survives as long as the trade-secret materials are in possession of the state.

APPLICATION RATING SCALE

Cumulative Ratings

The rating for each part and section of the application will be based on the following scale:

 Well-developed	The content exceeds the minimum statutory requirements and materially satisfies the department's standards for quality authorizing.
 Satisfactory	The content materially satisfies the minimum statutory requirements for authorizing.
 Unsatisfactory	The content fails to meet the minimum statutory requirements.

Please note, ratings are qualitative and not to be quantified.

Item-specific Ratings

For individual criteria, the department will use an expanded rating scale that allows greater specificity. In addition to enabling increased differentiation of performance, the expanded scale facilitates greater precision in identifying strengths and weaknesses of authorizer practices for purposes of continued improvement.

 Promising Practice	The content is exceptional in that it exceeds both minimum statutory requirements the department standards for quality authorizing and warrants notice from, and emulation by, other authorizers.
 Well-developed	The content exceeds minimum statutory requirements and materially satisfies the department standards for quality authorizing.
3/4 Approaching well-developed	The content exceeds minimum statutory requirements but has one or more relevant shortcomings that must be remedied in order to meet the department standards for quality authorizing.

 Satisfactory	<p>The content meets minimum statutory requirements; however, substantial improvement is needed in order to meet the Department standards for quality authorizing.</p>
<p>1/4</p> Approaching satisfactory	<p>The content has one or more material shortcomings that must be remedied in order to meet the minimum statutory requirements for authorizing.</p>
 Unsatisfactory	<p>The content is either lacking altogether or falls well below the minimum statutory requirements for authorizing.</p>

Please note, ratings are qualitative and not to be quantified.



COMMISSIONER APPROVAL OR DISAPPROVAL

By law, the commissioner must make a determination regarding whether to approve or disapprove each eligible authorizer that submits an application. The department's cumulative performance ratings correspond with a recommendation to the commissioner regarding approval or disapproval.

Approve. An approval by the commissioner means that the authorizer's documented practices at least meets the statutory requirements for authorizing. An approval will be accompanied by the length of approval (one to five years). The authorizer will be subject to more frequent reviews only if subsequent circumstances give the Department cause to conduct such reviews pursuant to Minnesota Statutes section 124D.10 3(g).

Disapprove. A disapproval by the Commissioner means that the Department has found that, in whole or in part, the authorizer's practices do not meet the statutory requirements for authorizing. A recommendation to Disapprove will be accompanied by documentation of the authorizing deficiencies. If the applicant is an active authorizer and does not earn approval, they will no longer be able to enter into new or renew established charter contracts.

**The department's recommendation is not intended to reflect an average score. An application must be sound across the full range of authorizing responsibilities. A single unsatisfactory rating may be sufficient to generate a recommendation to disapprove, depending on the significance of the section and the depth of the deficiencies.*

PART A: STATEMENT OF INTEREST

The purpose of the Statement of Interest is to provide the authorizer an opportunity to demonstrate the capacity and commitment needed to further the purposes of Minnesota Statutes section 124D.10.ⁱⁱ

Sections Include:

A.1: Chartering Mission and Vision

A.2: Authorizing Capacity and Infrastructure

Instructions

Part A has two evaluated sections, provide a three to five page Statement of Interest that addresses the authorizer’s mission and vision and capacity and infrastructure to charter schools.

Attachments to include:

- Resumes of relevant personnel are requested as attachments, each should identify all schools, Local Education Agencies (LEAS), State Education Agencies (SEAS), etc., with which the individual has been associated/affiliated.
- A five-year financial plan.

A.1: CHARTERING MISSION AND VISION

Guiding Question

Does the authorizer present a compelling mission and vision aligned with the purposes of Minnesota’s charter school law?

Evaluation Criteria

A description of how chartering schools is a way for the organization to carry out its mission. The response should include information about which statutory purposes of charter schools are a particular priority for the authorizer and what the authorizer’s short- and long-term goals are for authorizing. Such goals may address the number of schools, types of schools, populations to be served, etc.

A.1.1	A well-developed mission statement will be a clear and concise statement of what the organization intends to accomplish as a charter school authorizer.
A.1.2	A well-developed description of the vision will articulate the primary statutory purposes that the organization expects to fulfill through charter school authorizing as well as any organization-specific purposes. The vision need not touch on every statutory purpose; however, it should align clearly with one or more of those purposes. It should discuss

	with specificity the desired characteristics of the schools it will charter (e.g., types of schools, populations to be served, geographic priorities, etc.). It should contain measurable criteria by which the organization can evaluate its success as an authorizer.
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A.2: AUTHORIZING CAPACITY AND INFRASTRUCTURE

Guiding Question

Does the authorizer have demonstrated capacity to carry out the duties and responsibilities of a charter school authorizer effectively?

Evaluation Criteria

A description of the organization’s capacity and infrastructure to carry out its authorizing responsibilities pursuant to Minnesota Statutes section 124D.10 3(c)(1) and 124D.10 4(d)(1)and(2). The response should include a description of staff authorizing roles and responsibilities; an organization chart showing where authorizing responsibilities rest within the organization; a description of how the authorizer manages school and student information; and – to the extent that the authorizer plans any substantial changes such as growth in the number of schools chartered – a description of how it anticipates the organizational structure and chartering responsibilities to change over the next three to five years.

A.2

A well-developed description of capacity and infrastructure will convey a clear, accurate understanding of the organization’s duties and responsibilities as a charter school authorizer. It will also convey a persuasive, viable plan for how those responsibilities are implemented effectively.

Specifically, the response should clearly describe the people, their responsibilities, and the other resources that the organization² dedicates to charter school authorizing. Examples of important resource allocation decisions may be useful to illustrate the organization’s understanding of and viability to carry out its responsibilities. For example, a discussion of the organization’s system and staffing responsibilities to manage school reporting and information; a description of the organization’s system and staffing responsibilities to manage school interventions; or a description of the organization’s system and staffing responsibilities to manage the school closure process following a revocation or nonrenewal decision—these may all illuminate the authorizer’s capacity and infrastructure.

PART B: EVALUATION OF EXISTING OR PROPOSED PRACTICES

The purpose for the Evaluation of Existing or Proposed Practices process is to understand and assess the organization's current status as an authorizer. The majority of the application focuses on documentation of those practices.

Sections Include:

- B.1: Application Decision-Making
- B.2: Contracting and Oversight
- B.3: Performance-Based Accountability
- B.4: School Autonomy

Instructions

The evaluation of Part B has four sections, each focuses on a functional area of the authorizing role.

Provide documentation related to the Evidence of Authorizers Practices Table (Attachment B). Make sure that the documents are labeled clearly and cross-referenced by title.

Existing Practices

Active authorizers – those with one or more schools currently in operation -- should include information requested in the left column of the Evidence of Authorizers Practices Table.

Or

Proposed Practices

New authorizers – including single-purpose authorizers -- should include information requested in the right column of the Evidence of Authorizers Practices Table.

Table 1: Evidence of Authorizers Practices

Active Authorizers - Existing Practices	New Authorizers - Proposed Practices	
✓		School Information (see Attachment A, Application Cover Form) background on current charter schools including for each school: <ul style="list-style-type: none"> • School name. • Grades. • Enrollment number. • Year opened. • Charter Management or Education Management Organization (if applicable). • Curriculum model or special focus.
✓	✓	Staffing roles and responsibilities (organizational chart or other documentation of who does what).
✓	✓	Application policies/practices (including application packet, request for proposals, and change of authorizer application) (Part B.1).
✓		*Completed application evaluations from previous applications (e.g., completed scoring rubrics) (Part B.1).
✓		*Capacity interview materials (e.g., written analysis of formal interviews conducted during the application process) (Part B.1).
✓		*Staff application recommendations (Part B.1).
✓		Record of application decisions (Approval/Denial) (Part B.1).
✓		*Executed agreements (e.g., charter contract) for currently operating schools (Parts B.2 - B.4).
✓	✓	Charter contract template (Parts B.2).
✓	✓	Monitoring policies and practices (e.g., site visit procedures and protocols) (Parts B.2 - B.4).
✓		*Documentation of intervention decision-making (correspondence with the school; record of board decisions, etc.) (Parts B.2 - B.4).
✓	✓	Renewal decision policies/practices (e.g., renewal handbook; performance/compliance standards) (Part B.3).
✓		Record of renewal decisions (include *performance analysis, staff analysis, and record of board decisions) (Part B.3).
✓		*Valid and reliable evidence of school performance (e.g., annual reports, site visit reports, audit results) that illustrates the degree to which schools overseen by the authorizer are increasing student achievement (Part C).
✓	✓	Any other documents that you consider relevant to our understanding of your authorizing practices, such as oversight-related school communications, performance evaluations instruments, or evidence of deliberations around key authorizing decisions.

**Active authorizers are to submit a sampling of this evidence reflective of, at least, the organization's current practices. The inclusion of outdated/historical evidence may be appropriate if the inclusion highlights organizational improvements.*

Instructions (continued)

Regardless of whether an active authorizer has actually received applications in the last three years, the department will expect that the authorizer be *prepared* to do so. That is, the applicant in this situation should still submit materials such as an application packet and any other *general application materials* that would be used in the event that the authorizer does receive an application.

In general, documented histories of existing practices should represent activities conducted within the last two to three years. If your organization has not engaged in the activity in the last three years, then mark "N/A" for that category with a brief explanation.

In other words, if your organization has not received an application for a new charter school in the last three years, then only the application policies/practices are required; evidence of application decision-making such as staff recommendations will not be applicable. For document requests related to actual decision-making, such as staff recommendations, mark the request "N/A" and in the space for an explanation, write "No new applications for charter schools received in the last three years."

SECTION B.1: APPLICATION DECISION-MAKING

Guiding Question

Does the authorizer approve applications based on demonstrated preparation and capacity to operate a quality charter school?

Substanceⁱⁱⁱ

Evaluation Criteria

This sub-section evaluates the expectations that the authorizer establishes, communicates and applies to the substance of charter school applications (and change of authorizer applications), including the educational program, the organizational plan, the business plan, and demonstrated capacity, in order to make decisions about whether to approve or deny charter school applications.

B.1.1	<p>Mission and Vision: The authorizer has thorough requirements and rigorous evaluation criteria for the school's proposed mission and vision.^{iv}</p>
B.1.2	<p>Educational Program: The authorizer has thorough requirements and rigorous evaluation criteria for the proposed educational program, including the educational philosophy, proposed academic goals, curriculum and instruction, teaching skills and experience, calendar and daily schedule, target population, enrollment, and plans for educating students with special needs.^v</p>
B.1.3	<p>Organizational Plan: The authorizer has thorough requirements and rigorous evaluation criteria for the proposed organizational plan, including legal status of the organization, management and operations plan, education service provider arrangements (if applicable), community involvement, student recruitment and enrollment, and staffing and human resources.^{vi}</p>
B.1.4	<p>Business Plan: The authorizer has thorough requirements and rigorous evaluation criteria for the proposed business plan, including the budget, management of financial and other procedures, facilities, and pre-opening tasks.^{vii}</p>
B.1.5	<p>Applicant Capacity: The authorizer has thorough requirements and rigorous criteria for evaluating the applicants' capacity to implement the school plan effectively including capacity to oversee the educational program; achieve accountability goals; ensure effective and responsible management of public funds; and take responsibility for legal compliance.^{viii}</p>

B.1.6	<p>Decision Alignment: Authorizer decision-making is informed by documented evidence and analyses of the extent to which the plan satisfies approval criteria.^{ix}</p>
Process	
<p>Evaluation Criteria <i>This sub-section evaluates the expectations that the authorizer establishes, communicates and applies to the charter school application process (and change of authorizer application process), including timelines, format requirements, evaluation procedures, and any steps the authorizer actively takes to solicit applications.</i></p>	
B.1.7	<p>Application Process Timelines: The authorizer has clear and realistic timelines for the application process.^x</p>
B.1.8	<p>Proposal Format: The authorizer has clear and realistic expectations for proposal format.^{xi}</p>
B.1.9	<p>Transparency: The authorizer has transparent processes for both application evaluation and application decision-making.^{xii}</p>

B.2: CONTRACTING AND OVERSIGHT^{xiii}

Guiding Question

Does the authorizer establish clear expectations for contracting and performance-monitoring consistent with those expectations?

Evaluation Criteria

The contract should document the material terms of the school's operation, including its legal status, the educational program, operational requirements, financial commitments, and miscellaneous terms of the contract's operation. The contract should also make clear the legal authorities with which the charter school must comply.

B.2.1	<p>Material Terms of School Existence: Through the contract, the authorizer documents and monitors material terms of the school's existence, including the legal status of the school, its location, authority of the signatories, length of the charter term, and restrictions or requirements that apply to the school's governing body.^{xiv}</p>
B.2.2	<p>Material Terms of Educational Program: Through the contract, the authorizer establishes and monitors material terms of the school's educational program including, but not limited to, the academic accountability goals.^{xv}</p>
B.2.3	<p>Material Terms of Operation: Through the contract, the authorizer establishes and monitors material terms of the school's operation. Those include the school's mission; grade range and number of students; recruitment and enrollment practices; school calendar; student discipline; student transportation; employee status and other personnel matters; handling of student records; insurance; board operating restrictions and open meeting requirements; and (if applicable) terms of a third-party educational service provider agreement. The terms of operation include required compliance with applicable laws.^{xvi}</p>
B.2.4	<p>Material Financial Matters: Through the contract, the authorizer establishes and monitors material financial matters. Those matters include: funding calculation and delivery; audit findings; enrollment reporting; authorizer fees; reporting requirements; audit requirements; and asset ownership and disposition rights and responsibilities.^{xvii}</p>
B.2.5	<p>Compliance with External Authorities: Through the contract, the authorizer documents and monitors compliance with relevant external authorities, including, but not necessarily limited to: applicable civil rights; state testing and accountability; open meeting requirements; and health, safety and welfare laws.^{xviii}</p>

B.2.6	<p>Compliance with Obligations to Special Student Populations: Through the contract, the authorizer documents expectations and monitors compliance with the school’s obligations for serving students identified with disabilities, English language learners and other special populations.^{xix}</p>
B.2.7	<p>Monitoring Authority: The authorizer establishes and exercises the authority it needs to monitor the school appropriately.^{xx}</p>
B.2.8	<p>Operational Terms of Contract: The authorizer establishes the operational terms of the contract itself, including provisions regarding notice, waiver, severability, assignment, amendment, indemnification, and contract dispute resolution.</p>

B.3: ACCOUNTABILITY DECISIONS	
Guiding Question Does the authorizer hold schools accountable, based on performance as measured against rigorous expectations?	
Evaluation Criteria <i>Performance-Based Accountability means high-stakes decisions that are based on the application of valid, reliable evidence to the school's performance as set out in the charter contract. Accountability includes decisions about a school's preparation to open; whether to intervene in a school's operation; and whether to revoke or non-renew a charter contract.</i>	
School Opening	
B.3.1	The authorizer has sound educational, organizational and financial conditions that must be met in order for the school to be approved to open. ^{xxi}
Performance Measures	
B.3.2	Educational Performance: Consistent with state and federal accountability systems, the authorizer has clear expectations for and monitors educational performance based on contract goals, achievement level (status), student progress over time (growth), and postsecondary readiness (if applicable). The authorizer considers both absolute and comparative educational performance. ^{xxii}
B.3.3	Organizational Performance: The authorizer has clear expectations for and monitors organizational performance based on responsible governance, legal compliance, sound enrollment, and positive student and family engagement. ^{xxiii}
B.3.4	Financial Performance: The authorizer sets clear expectations for and monitors financial performance predicated on audit results, sound budgeting, sound accounting, and demonstrated fiscal viability. ^{xxiv}
Performance Decisions	
B.3.5	Charter Intervention: The authorizer follows a transparent, documented, and effective process and timeline for charter intervention and makes evidence-based decisions regarding the school's demonstrated academic, organizational and financial performance. ^{xxv}
B.3.6	Charter Expansion: The authorizer follows a transparent, effective process and timeline for making charter expansion decisions such as adding additional sites or adding additional grades at the school beyond those described in the original affidavit or contract. ^{xxvi}

B.3.7	<p>Charter Revocation: The authorizer follows a transparent, documented, and effective process and timeline for charter revocation and makes evidence-based decisions regarding the school's demonstrated academic, organizational and financial performance.^{xxvii}</p>
B.3.8	<p>Charter Renewal: The authorizer follows a transparent, documented, and effective process and timeline for charter renewal and makes evidence-based decisions regarding the school's demonstrated academic, organizational and financial performance.^{xxviii}</p>
B.3.9	<p>Presentation of Evidence: In the context of making accountability decisions, the authorizer affords schools a meaningful opportunity to present evidence related to their performance and to amend the contract to reflect the current state of the school.^{xxix}</p>
B.3.10	<p>School Closure Practices: The authorizer has sound practices for oversight of orderly school closure in the event of revocation, non-renewal or voluntary relinquishment of the charter.^{xxx}</p>

SECTION B.4: SCHOOL AUTONOMY

Guiding Question

Do schools have the autonomy to which they are entitled?

Evaluation Criteria

Autonomy means the authority of schools to make decisions about the process and means by which they will achieve expected outcomes, consistent with applicable law and policy.

B.4.1	<p>Management of Conflicts of Interest: The authorizer takes measures to avoid conflicts of interest that might affect the authorizer’s capacity to make objective, merit-based application and renewal decisions, including avoiding decisions and interventions that make the authorizer responsible for the school’s performance.^{xxxii}</p>
B.4.2	<p>Documentation and Respect of Legally Entitled Autonomies: Through the contract, the authorizer documents and respects the autonomies (e.g., waivers from statutes and regulations) to which the schools are entitled by law.^{xxxii}</p>
B.4.3	<p>Additional Authorizer Services: Any services that the authorizer intends to offer schools for a fee are made distinct from the authorizer’s accountability role and responsibilities and are entered into voluntarily by both parties.^{xxxiii}</p>
B.4.4	<p>Facilitating Innovation: The authorizer provides allowable autonomies needed to enable schools to achieve instructional innovation and innovative forms of measuring outcomes.^{xxxiv}</p>

PART C: EVALUATION OF SCHOOL PERFORMANCE^{xxxv}

The first and perhaps most important legislative purpose of Minnesota Statutes section 124D.10 is to “improve pupil learning and student achievement.”^{xxxvi} In order to fulfill this legislative mandate, the Department’s evaluation process gives substantial weight to the performance of schools chartered by the authorizer.

Sections Include:

C.1: Academic Performance

C.2: Fiscal Performance

Instructions

The evaluation of Part C has two parts, each of which focuses on the performance of the authorizer’s schools.

Active authorizers are not required to submit information for this part of the application, but are encouraged to submit school-specific measures for section C.1.3. Reviewers will consider actual school performance based on status, proficiency, and growth measures. For sections C.1.1 and C.1.2, the department will independently draw data for **active authorizers** for schools that have at least two-years of performance information,^{xxxvii} the data will be generated from the schools authorized by the active authorizer’s and will include:

- School status.
- Minnesota Comprehensive Assessments proficiency data.
- Minnesota Comprehensive Assessments growth data.
- School Finance Awards.
- Percent of the unreserved general fund balances from the preceding five fiscal years.

New authorizers may submit information for this part of the application. Since none of the data above exists for new authorizers, the data to be submitted is to reflect schools with which the organization (or individuals identified in Part A) has been associated. Data to be submitted should reflect:

- School status.
- Minnesota Comprehensive Assessments proficiency data.
- Minnesota Comprehensive Assessments growth data.
- School Finance Awards.
- Percent of the unreserved general fund balances from the preceding five fiscal years.

With each set of data submitted, new authorizers are required to describe the scope and duration of work the organization (or individuals) has conducted. Additionally, contact information for the school/district with which the work has been conducted is to be submitted. Reviewers will consider performance of schools based on status, proficiency, and growth measures for schools.^{xxxviii}

C.1: ACADEMIC PERFORMANCE^{xxxix}	
<p>Guiding Question Is the authorizer improving the academic quality of public education options available to children and families?</p>	
C.1.1	<p>State and Federal Accountability: Status Schools are consistently meeting their state and federal accountability targets based on measures generated by the Minnesota Comprehensive Assessments.</p>
C.1.2	<p>State and Federal Accountability: Comparative Performance Schools are performing measurably better than the district in which they are located and schools statewide, based on the Minnesota Comprehensive Assessments measures of proficiency and growth.</p>
C.1.3	<p>School-Specific Measures (optional) Schools are increasing student achievement based on valid and reliable school-specific performance measures that the authorizer has used for purposes of evaluating school performance.</p>

C.2: FISCAL PERFORMANCE	
<p>Guiding Question Is the authorizer improving the fiscal performance of public education options available to children and families?</p>	
C.2	<p>Fiscal Performance Schools are performing measurably better than the district in which they are located, based on their unreserved general fund balance and school finance awards in the preceding five fiscal years (as of June 30).</p>

PART D: INTERVIEW

The communication and application of the authorizer's established practices are of vital importance to charter school authorizers. Following the desk-review of parts A, B, and C, reviewers will generate interview questions to reflect questions that emerge from the review of A, B, and C. Individuals relevant to the organization's authorizing duties will be interviewed. Additionally, school directors and board chairs associated with active authorizers will be surveyed and invited to participate in an interview. The interview session will be conducted at the department.



**ATTACHMENT A
APPLICATION COVER SHEET 1**

Organization Name
Contact Information <i>mailing address, phone number, fax number, and e-mail</i>
Name of Primary Contact/Liaison
<p><i>Check the appropriate box and provide the appropriate organizational information:</i></p> <p><input type="checkbox"/> Independent school district school board.</p> <p><input type="checkbox"/> Intermediate school district school board.</p> <p><input type="checkbox"/> Education district organized under sections 123A.15 to 123A.19 .</p> <p><input type="checkbox"/> Institution of higher education, check the authorizer category the organization meets:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Minnesota private college that grants two- or four-year degrees and is registered with the Minnesota Office of Higher Education under chapter 136A; <input type="checkbox"/> Community college, state university, or technical college, governed by the Board of Trustees of the Minnesota State Colleges and Universities; or <input type="checkbox"/> The University of Minnesota. <p><input type="checkbox"/> Charitable organization under section 501(c)(3) of the Internal Revenue Code, include as an attachment the organization's most current version of every item requested below:</p> <ul style="list-style-type: none"> • Documentation to evidence the organization's current membership with the Minnesota Council of Nonprofits or the Minnesota Council on Foundations (membership must be active when the application is submitted). • Documentation of the organization's "Active" registration with the Office of the Minnesota Attorney General when the application is submitted to MDE. • An audited financial statement that reports an "end-of-year fund balance of at least \$2,000,000" from the most recently completed fiscal year. <p style="padding-left: 40px;"><i>Important Notes:</i></p> <ul style="list-style-type: none"> • <i>Annual reports must be filed and current with the Attorney General.</i> • <i>End-of-year fund balance is the same as "Net Assets."</i> • <i>End-of-year fund balance must reflect the organization's most recently completed fiscal year.</i> <p><input type="checkbox"/> Single Purpose Authorizer – Charitable organization under section 501(c)(3) of the Internal Revenue Code:</p> <ul style="list-style-type: none"> • Please note: single purpose authorizers "shall consider and approve applications using the criteria provided in subdivision 4 and shall not limit the applications it solicits, considers, or approves to any single curriculum, learning program, or method" (Minn. Stat. § 124D.10 Subd. 3(b)(5)). • MDE will verify the organization's registration with the Charities Division of the Office of the Minnesota Attorney General: www.ag.state.mn.us/Charities/. The organization must have an "Active" registration with the Office of the Minnesota Attorney General when the charter application is submitted to MDE.



APPLICATION COVER SHEET 2 - ASSURANCES

LEGALLY BINDING

By signing this form, I/we _____ the applicant, acknowledge that I/we am aware of authorizer responsibilities in their entirety as stated within the application materials and shall comply with all applicable federal, state and local laws, ordinances, rules and regulations and provisions stated therein should the organization be approved to authorize charter schools in Minnesota. I/we hereby assure and agree to comply with all conditions and submit required documents and certifications as required of approved authorizers.

IDENTIFIED OFFICIAL WITH AUTHORITY

Print Name and Title

Date _____

SIGNATURE OF MAIN PERSON WITH LEGAL AUTHORITY TO SIGN LEGAL DOCUMENTS ON BEHALF OF THE SCHOOL DISTRICT/ORGANIZATION

AUTHORIZER'S CHARTER SCHOOL LIAISON

Print Name and Title

Date _____

SIGNATURE



APPLICATION COVER SHEET 3

EXISTING SCHOOLS *(to be completed only by active authorizers)*

Active authorizers should provide the exact name and city of each charter school that is currently in operation. Use additional paper, as needed.

SCHOOL NAME		
Year opened	Current Contract Term Dates	City
Grades	Enrollment number	CMO or EMO (if applicable)
Curriculum model or special focus		

SCHOOL NAME		
Year opened	Current Contract Term Dates	City
Grades	Enrollment number	CMO or EMO (if applicable)
Curriculum model or special focus		

AUTHORIZING HISTORY *(to be completed only by active authorizers)*

Active authorizers should report the following data related to their history as authorizers:

Total Application Decisions	Applications Approved	Applications Denied
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Total Renewal Decisions	Contracts Renewed	Contracts Non-renewed
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Charter school closures by the source of the closure decision:	Non-renewal	Charter Termination	Voluntary closure	Other

Minn. Stat. § 124D.10 (2009) CHARTER SCHOOLS

Subdivision 1. Purposes.

(a) The purpose of this section is to:

- (1) improve pupil learning and student achievement;
- (2) increase learning opportunities for pupils;
- (3) encourage the use of different and innovative teaching methods;
- (4) measure learning outcomes and create different and innovative forms of measuring outcomes;
- (5) establish new forms of accountability for schools; and
- (6) create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site.

(b) This section does not provide a means to keep open a school that otherwise would be closed or to reestablish a school that has been closed. Applicants in these circumstances bear the burden of proving that conversion to a charter school or establishment of a new charter school fulfills the purposes specified in this subdivision, independent of the school's closing.

An authorizer shall not approve an application submitted by a charter school developer under subdivision 4, paragraph (a), if the application does not comply with this subdivision. The commissioner shall not approve an affidavit submitted by an authorizer under subdivision 4, paragraph (b), if the affidavit does not comply with this subdivision.

Subd. 2. Applicability.

This section applies only to charter schools formed and operated under this section.

Subd. 2a.

[Repealed by amendment, 2009 c 96 art 2 s 41]

Subd. 3. Authorizer.

(a) For purposes of this section, the terms defined in this subdivision have the meanings given them.

"Application" to receive approval as an authorizer means the proposal an eligible authorizer submits to the commissioner under paragraph (c) before that authorizer is able to submit any affidavit to charter to a school.

"Application" under subdivision 4 means the charter school business plan a school developer submits to an authorizer for approval to establish a charter school that documents the school developer's mission statement, school purposes, program design, financial plan, governance and management structure, and background and experience, plus any other information the authorizer requests. The application also shall include a "statement of assurances" of legal compliance prescribed by the commissioner.

"Affidavit" means a written statement the authorizer submits to the commissioner for approval to establish a charter school under subdivision 4 attesting to its review and approval process before chartering a school.

"Affidavit" means the form an authorizer submits to the commissioner that is a precondition to a charter school organizing an affiliated nonprofit building corporation under subdivision 17a.

(b) The following organizations may authorize one or more charter schools:



(1) a school board; intermediate school district school board; education district organized under sections 123A.15 to 123A.19;

(2) a charitable organization under section 501(c)(3) of the Internal Revenue Code of 1986, excluding a nonpublic sectarian or religious institution, any person other than a natural person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the nonpublic sectarian or religious institution, and any other charitable organization under this clause that in the federal IRS Form 1023, Part IV, describes activities indicating a religious purpose, that:

- (i) is a member of the Minnesota Council of Nonprofits or the Minnesota Council on Foundations;
- (ii) is registered with the attorney general's office;
- (iii) reports an end-of-year fund balance of at least \$2,000,000; and
- (iv) is incorporated in the state of Minnesota;

(3) a Minnesota private college, notwithstanding clause (2), that grants two- or four-year degrees and is registered with the Minnesota Office of Higher Education under chapter 136A; community college, state university, or technical college governed by the Board of Trustees of the Minnesota State Colleges and Universities; or the University of Minnesota; or

(4) a nonprofit corporation subject to chapter 317A, described in section 317A.905, and exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code of 1986, may authorize one or more charter schools if the charter school has operated for at least three years under a different authorizer and if the nonprofit corporation has existed for at least 25 years.

(5) no more than three single-purpose sponsors that are charitable, nonsectarian organizations formed under section 501(c)(3) of the Internal Revenue Code of 1986 and incorporated in the state of Minnesota whose sole purpose is to charter schools. Eligible organizations interested in being approved as a sponsor under this paragraph must submit a proposal to the commissioner that includes the provisions of paragraph (c) and a five-year financial plan. Such authorizers shall consider and approve applications using the criteria provided in subdivision 4 and shall not limit the applications it solicits, considers, or approves to any single curriculum, learning program, or method.

(c) An eligible authorizer under this subdivision must apply to the commissioner for approval as an authorizer before submitting any affidavit to the commissioner to charter a school. The application for approval as a charter school authorizer must demonstrate the applicant's ability to implement the procedures and satisfy the criteria for chartering a school under this section. The commissioner must approve or disapprove an application within 60 business days of the application deadline. If the commissioner disapproves the application, the commissioner must notify the applicant of the deficiencies and the applicant then has 20 business days to address the deficiencies to the commissioner's satisfaction. Failing to address the deficiencies to the commissioner's satisfaction makes an applicant ineligible to be an authorizer. The commissioner, in establishing criteria for approval, must consider the applicant's:

- (1) capacity and infrastructure;
- (2) application criteria and process;
- (3) contracting process;
- (4) ongoing oversight and evaluation processes; and
- (5) renewal criteria and processes.

(d) The affidavit to be submitted to and evaluated by the commissioner must include at least the following:

- (1) how chartering schools is a way for the organization to carry out its mission;
- (2) a description of the capacity of the organization to serve as a sponsor, including the personnel who will perform the sponsoring duties, their qualifications, the amount of time they will be assigned to this responsibility, and the financial resources allocated by the organization to this responsibility;
- (3) a description of the application and review process the authorizer will use to make decisions regarding the granting of charters, which will include at least the following:
 - (i) how the statutory purposes defined in subdivision 1 are addressed;
 - (ii) the mission, goals, program model, and student performance expectations;
 - (iii) an evaluation plan for the school that includes criteria for evaluating educational, organizational, and fiscal plans;
 - (iv) the school's governance plan;
 - (v) the financial management plan; and
 - (vi) the administration and operations plan;
- (4) a description of the type of contract it will arrange with the schools it charters that meets the provisions of subdivision 6 and defines the rights and responsibilities of the charter school for governing its educational program, controlling its funds, and making school management decisions;
- (5) the process to be used for providing ongoing oversight of the school consistent with the contract expectations specified in clause (4) that assures that the schools chartered are complying with both the provisions of applicable law and rules, and with the contract;
- (6) the process for making decisions regarding the renewal or termination of the school's charter based on evidence that demonstrates the academic, organizational, and financial competency of the school, including its success in increasing student achievement and meeting the goals of the charter school agreement; and
- (7) an assurance specifying that the organization is committed to serving as a sponsor for the full five-year term.

A disapproved applicant under this paragraph may resubmit an application during a future application period.

- (e) The authorizer must participate in department-approved training.
- (f) An authorizer that chartered a school before August 1, 2009, must apply by June 30, 2011, to the commissioner for approval, under paragraph (c), to continue as an authorizer under this section. For purposes of this paragraph, an authorizer that fails to submit a timely application is ineligible to charter a school.
- (g) The commissioner shall review an authorizer's performance every five years in a manner and form determined by the commissioner and may review an authorizer's performance more frequently at the commissioner's own initiative or at the request of a charter school operator, charter school board member, or other interested party. The commissioner, after completing the review, shall transmit a report with findings to the authorizer. If, consistent with this section, the commissioner finds that an authorizer has not fulfilled the requirements of this section, the commissioner may



subject the authorizer to corrective action, which may include terminating the contract with the charter school board of directors of a school it chartered. The commissioner must notify the authorizer in writing of any findings that may subject the authorizer to corrective action and the authorizer then has 15 business days to request an informal hearing before the commissioner takes corrective action.

(h) The commissioner may at any time take corrective action against an authorizer, including terminating an authorizer's ability to charter a school for:

(1) failing to demonstrate the criteria under paragraph (c) under which the commissioner approved the authorizer;

(2) violating a term of the chartering contract between the authorizer and the charter school board of directors; or

(3) unsatisfactory performance as an approved authorizer.

Subd. 4. Formation of school.

(a) An authorizer, after receiving an application from a school developer, may charter a licensed teacher under section 122A.18, subdivision 1, or a group of individuals that includes one or more licensed teachers under section 122A.18, subdivision 1, to operate a school subject to the commissioner's approval of the authorizer's affidavit under paragraph (b). The school must be organized and operated as a cooperative under chapter 308A or nonprofit corporation under chapter 317A and the provisions under the applicable chapter shall apply to the school except as provided in this section.

Notwithstanding sections 465.717 and 465.719, a school district, subject to this section and section 124D.11, may create a corporation for the purpose of establishing a charter school.

(b) Before the operators may establish and operate a school, the authorizer must file an affidavit with the commissioner stating its intent to charter a school. An authorizer must file a separate affidavit for each school it intends to charter. The affidavit must state the terms and conditions under which the authorizer would charter a school and how the authorizer intends to oversee the fiscal and student performance of the charter school and to comply with the terms of the written contract between the authorizer and the charter school board of directors under subdivision 6. The commissioner must approve or disapprove the authorizer's affidavit within 60 business days of receipt of the affidavit. If the commissioner disapproves the affidavit, the commissioner shall notify the authorizer of the deficiencies in the affidavit and the authorizer then has 20 business days to address the deficiencies. If the authorizer does not address deficiencies to the commissioner's satisfaction, the commissioner's disapproval is final. Failure to obtain commissioner approval precludes an authorizer from chartering the school that is the subject of this affidavit.

(c) The authorizer may prevent an approved charter school from opening for operation if, among other grounds, the charter school violates this section or does not meet the ready-to-open standards that are part of the authorizer's oversight and evaluation process or are stipulated in the charter school contract.

(d) The operators authorized to organize and operate a school, before entering into a contract or other agreement for professional or other services, goods, or facilities, must incorporate as a cooperative under chapter 308A or as a nonprofit corporation under chapter 317A and must establish a board of directors composed of at least five members who are not related parties until a timely election for members of the ongoing charter school board of directors is held according to the school's articles and bylaws under paragraph (f). A charter school board of directors must be composed of at least five members who are not related parties. Staff members employed at the school, including

teachers providing instruction under a contract with a cooperative, and all parents or legal guardians of children enrolled in the school are the voters eligible to elect the members of the school's board of directors. A charter school must notify eligible voters of the school board election dates at least 30 days before the election. Board of director meetings must comply with chapter 13D.

(e) Upon the request of an individual, the charter school must make available in a timely fashion the minutes of meetings of the board of directors, and of members and committees having any board-delegated authority; financial statements showing all operations and transactions affecting income, surplus, and deficit during the school's last annual accounting period; and a balance sheet summarizing assets and liabilities on the closing date of the accounting period. A charter school also must post on its official Web site information identifying its authorizer and indicate how to contact that authorizer and include that same information about its authorizer in other school materials that it makes available to the public.

(f) Every charter school board member shall attend department-approved training on board governance, the board's role and responsibilities, employment policies and practices, and financial management. A board member who does not begin the required training within six months of being seated and complete the required training within 12 months of being seated on the board is ineligible to continue to serve as a board member.

(g) The ongoing board must be elected before the school completes its third year of operation. Board elections must be held during a time when school is in session. The charter school board of directors shall be composed of at least five nonrelated members and include: (i) at least one licensed teacher employed at the school or a licensed teacher providing instruction under a contract between the charter school and a cooperative; (ii) the parent or legal guardian of a student enrolled in the charter school; and (iii) an interested community member who is not employed by the charter school and does not have a child enrolled in the school. The board may be a teacher majority board composed of teachers described in this paragraph. The chief financial officer and the chief administrator are ex-officio nonvoting board members. Board bylaws shall outline the process and procedures for changing the board's governance model, consistent with chapter 317A. A board may change its governance model only:

(1) by a majority vote of the board of directors and the licensed teachers employed by the school, including licensed teachers providing instruction under a contract between the school and a cooperative; and

(2) with the authorizer's approval.

Any change in board governance must conform with the board structure established under this paragraph.

(h) The granting or renewal of a charter by an authorizer must not be conditioned upon the bargaining unit status of the employees of the school.

(i) The granting or renewal of a charter school by an authorizer must not be contingent on the charter school being required to contract, lease, or purchase services from the authorizer. Any potential contract, lease, or purchase of service from an authorizer must be disclosed to the commissioner, accepted through an open bidding process, and be a separate contract from the charter contract. The school must document the open bidding process. An authorizer must not enter into a contract to provide management and financial services for a school that it authorizes, unless the school documents that it received at least two competitive bids.

(j) An authorizer may permit the board of directors of a charter school to expand the operation of the charter school to additional sites or to add additional grades at the school beyond those

described in the authorizer's original affidavit as approved by the commissioner only after submitting a supplemental affidavit for approval to the commissioner in a form and manner prescribed by the commissioner. The supplemental affidavit must show that:

- (1) the expansion proposed by the charter school is supported by need and projected enrollment;
 - (2) the charter school expansion is warranted, at a minimum, by longitudinal data demonstrating students' improved academic performance and growth on statewide assessments under chapter 120B;
 - (3) the charter school is fiscally sound and has the financial capacity to implement the proposed expansion; and
 - (4) the authorizer finds that the charter school has the management capacity to carry out its expansion.
- (k) The commissioner shall have 30 business days to review and comment on the supplemental affidavit. The commissioner shall notify the authorizer of any deficiencies in the supplemental affidavit and the authorizer then has 30 business days to address, to the commissioner's satisfaction, any deficiencies in the supplemental affidavit. The school may not expand grades or add sites until the commissioner has approved the supplemental affidavit. The commissioner's approval or disapproval of a supplemental affidavit is final.

Subd. 4a. Conflict of interest.

(a) An individual is prohibited from serving as a member of the charter school board of directors if the individual, an immediate family member, or the individual's partner is an owner, employee or agent of, or a contractor with a for-profit or nonprofit entity with whom the charter school contracts, directly or indirectly, for professional services, goods, or facilities. A violation of this prohibition renders a contract voidable at the option of the commissioner or the charter school board of directors. A member of a charter school board of directors who violates this prohibition is individually liable to the charter school for any damage caused by the violation.

(b) No member of the board of directors, employee, officer, or agent of a charter school shall participate in selecting, awarding, or administering a contract if a conflict of interest exists. A conflict exists when:

- (1) the board member, employee, officer, or agent;
- (2) the immediate family of the board member, employee, officer, or agent;
- (3) the partner of the board member, employee, officer, or agent; or
- (4) an organization that employs, or is about to employ any individual in clauses (1) to (3),

has a financial or other interest in the entity with which the charter school is contracting. A violation of this prohibition renders the contract void.

(c) Any employee, agent, or board member of the authorizer who participates in the initial review, approval, ongoing oversight, evaluation, or the charter renewal or nonrenewal process or decision is ineligible to serve on the board of directors of a school chartered by that authorizer.

(d) An individual may serve as a member of the board of directors if no conflict of interest under paragraph (a) exists.

(e) The conflict of interest provisions under this subdivision do not apply to compensation paid to a teacher employed by the charter school who also serves as a member of the board of directors.

(f) The conflict of interest provisions under this subdivision do not apply to a teacher who provides services to a charter school through a cooperative formed under chapter 308A when the teacher also serves on the charter school board of directors.

Subd. 5. Conversion of existing schools.

A board of an independent or special school district may convert one or more of its existing schools to charter schools under this section if 60 percent of the full-time teachers at the school sign a petition seeking conversion. The conversion must occur at the beginning of an academic year.

Subd. 6. Charter contract.

The authorization for a charter school must be in the form of a written contract signed by the authorizer and the board of directors of the charter school. The contract must be completed within 45 business days of the commissioner's approval of the authorizer's affidavit. The authorizer shall submit to the commissioner a copy of the signed charter contract within ten business days of its execution. The contract for a charter school must be in writing and contain at least the following:

- (1) a declaration of the purposes in subdivision 1 that the school intends to carry out and how the school will report its implementation of those purposes;
- (2) a description of the school program and the specific academic and nonacademic outcomes that pupils must achieve;
- (3) a statement of admission policies and procedures;
- (4) a governance, management, and administration plan for the school;
- (5) signed agreements from charter school board members to comply with all federal and state laws governing organizational, programmatic, and financial requirements applicable to charter schools;
- (6) the criteria, processes, and procedures that the authorizer will use for ongoing oversight of operational, financial, and academic performance;
- (7) the performance evaluation that is a prerequisite for reviewing a charter contract under subdivision 15;
- (8) types and amounts of insurance liability coverage to be obtained by the charter school;
- (9) the term of the contract, which may be up to three years for an initial contract plus an additional preoperational planning year, and up to five years for a renewed contract if warranted by the school's academic, financial, and operational performance;
- (10) how the board of directors or the operators of the charter school will provide special instruction and services for children with a disability under sections 125A.03 to 125A.24, and 125A.65, a description of the financial parameters within which the charter school will operate to provide the special instruction and services to children with a disability;
- (11) the process and criteria the authorizer intends to use to monitor and evaluate the fiscal and student performance of the charter school, consistent with subdivision 15; and
- (12) the plan for an orderly closing of the school under chapter 308A or 317A, if the closure is a termination for cause, a voluntary termination, or a nonrenewal of the contract, and that includes establishing the responsibilities of the school board of directors and the authorizer and notifying the commissioner, authorizer, school district in which the charter school is located, and parents of enrolled students about the closure, the transfer of student records to students' resident districts, and procedures for closing financial operations.



Subd. 6a. Audit report.

(a) The charter school must submit an audit report to the commissioner and its authorizer by December 31 each year.

(b) The charter school, with the assistance of the auditor conducting the audit, must include with the report a copy of all charter school agreements for corporate management services. If the entity that provides the professional services to the charter school is exempt from taxation under section 501 of the Internal Revenue Code of 1986, that entity must file with the commissioner by February 15 a copy of the annual return required under section 6033 of the Internal Revenue Code of 1986.

(c) If the commissioner receives an audit report indicating that a material weakness exists in the financial reporting systems of a charter school, the charter school must submit a written report to the commissioner explaining how the material weakness will be resolved.

Subd. 7. Public status; exemption from statutes and rules.

A charter school is a public school and is part of the state's system of public education. A charter school is exempt from all statutes and rules applicable to a school, school board, or school district unless a statute or rule is made specifically applicable to a charter school or is included in this section.

Subd. 8. Federal, state, and local requirements.

(a) A charter school shall meet all federal, state, and local health and safety requirements applicable to school districts.

(b) A school must comply with statewide accountability requirements governing standards and assessments in chapter 120B.

(c) A school sponsored by a school board may be located in any district, unless the school board of the district of the proposed location disapproves by written resolution.

(d) A charter school must be nonsectarian in its programs, admission policies, employment practices, and all other operations. A sponsor may not authorize a charter school or program that is affiliated with a nonpublic sectarian school or a religious institution. A charter school student must be released for religious instruction, consistent with section 120A.22, subdivision 12, clause (3).

(e) Charter schools must not be used as a method of providing education or generating revenue for students who are being home-schooled.

(f) The primary focus of a charter school must be to provide a comprehensive program of instruction for at least one grade or age group from five through 18 years of age. Instruction may be provided to people younger than five years and older than 18 years of age.

(g) A charter school may not charge tuition.

(h) A charter school is subject to and must comply with chapter 363A and section 121A.04.

(i) A charter school is subject to and must comply with the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56, and the Minnesota Public School Fee Law, sections 123B.34 to 123B.39.

(j) A charter school is subject to the same financial audits, audit procedures, and audit requirements as a district. Audits must be conducted in compliance with generally accepted governmental auditing standards, the Federal Single Audit Act, if applicable, and section 6.65. A charter school is subject to and must comply with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06; 471.38; 471.391; 471.392; and 471.425. The audit must comply with the requirements of sections 123B.75 to 123B.83, except to the extent deviations are necessary because of the program at the school. Deviations must be approved by the commissioner and authorizer. The Department of Education, state auditor, legislative auditor, or authorizer may conduct financial,

program, or compliance audits. A charter school determined to be in statutory operating debt under sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

(k) A charter school is a district for the purposes of tort liability under chapter 466.

(l) A charter school must comply with chapters 13 and 13D; and sections 120A.22, subdivision 7; 121A.75; and 260B.171, subdivisions 3 and 5.

(m) A charter school is subject to the Pledge of Allegiance requirement under section 121A.11, subdivision 3.

(n) A charter school offering online courses or programs must comply with section 124D.095.

(o) A charter school and charter school board of directors are subject to chapter 181.

(p) A charter school must comply with section 120A.22, subdivision 7, governing the transfer of students' educational records and sections 138.163 and 138.17 governing the management of local records.

Subd. 8a. Aid reduction.

The commissioner may reduce a charter school's state aid under section 127A.42 or 127A.43 if the charter school board fails to correct a violation under this section.

Subd. 8b. Aid reduction for violations.

The commissioner may reduce a charter school's state aid by an amount not to exceed 60 percent of the charter school's basic revenue for the period of time that a violation of law occurs.

Subd. 9. Admission requirements.

A charter school may limit admission to:

(1) pupils within an age group or grade level;

(2) pupils who are eligible to participate in the graduation incentives program under section 124D.68; or

(3) residents of a specific geographic area in which the school is located when the majority of students served by the school are members of underserved populations in which the school is located when the majority of students served by the school are members of underserved populations.

A charter school shall enroll an eligible pupil who submits a timely application, unless the number of applications exceeds the capacity of a program, class, grade level, or building. In this case, pupils must be accepted by lot. The charter school must develop and publish a lottery policy and process that it must use when accepting pupils by lot.

A charter school shall give preference for enrollment to a sibling of an enrolled pupil and to a foster child of that pupil's parents and may give preference for enrolling children of the school's teachers before accepting other pupils by lot.

A charter school may not limit admission to pupils on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability and may not establish any criteria or requirements for admission that are inconsistent with this subdivision.

The charter school shall not distribute any services or goods of value to students, parents, or guardians as an inducement, term, or condition of enrolling a student in a charter school.

Subd. 10. Pupil performance.

A charter school must design its programs to at least meet the outcomes adopted by the commissioner for public school students. In the absence of the commissioner's requirements, the

school must meet the outcomes contained in the contract with the authorizer. The achievement levels of the outcomes contained in the contract may exceed the achievement levels of any outcomes adopted by the commissioner for public school students.

Subd. 11. Employment and other operating matters.

(a) A charter school must employ or contract with necessary teachers, as defined by section 122A.15, subdivision 1, who hold valid licenses to perform the particular service for which they are employed in the school. The charter school's state aid may be reduced under section 127A.43 if the school employs a teacher who is not appropriately licensed or approved by the board of teaching. The school may employ necessary employees who are not required to hold teaching licenses to perform duties other than teaching and may contract for other services. The school may discharge teachers and nonlicensed employees. The charter school board is subject to section 181.932. When offering employment to a prospective employee, a charter school must give that employee a written description of the terms and conditions of employment and the school's personnel policies.

(b) A person, without holding a valid administrator's license, may perform administrative, supervisory, or instructional leadership duties. The board of directors shall establish qualifications for persons that hold administrative, supervisory, or instructional leadership roles. The qualifications shall include at least the following areas: instruction and assessment; human resource and personnel management; financial management; legal and compliance management; effective communication; and board, authorizer, and community relationships. The board of directors shall use those qualifications as the basis for job descriptions, hiring, and performance evaluations of those who hold administrative, supervisory, or instructional leadership roles. The board of directors and an individual who does not hold a valid administrative license and who serves in an administrative, supervisory, or instructional leadership position shall develop a professional development plan. Documentation of the implementation of the professional development plan of these persons shall be included in the school's annual report.

(c) The board of directors also shall decide matters related to the operation of the school, including budgeting, curriculum and operating procedures.

Subd. 12. Pupils with a disability.

A charter school must comply with sections 125A.02, 125A.03 to 125A.24, and 125A.65 and rules relating to the education of pupils with a disability as though it were a district.

Subd. 13. Length of school year.

A charter school must provide instruction each year for at least the number of days required by section 120A.41. It may provide instruction throughout the year according to sections 124D.12 to 124D.127 or 124D.128.

Subd. 14. Annual public reports.

A charter school must publish an annual report approved by the board of directors. The annual report must at least include information on school enrollment, student attrition, governance and management, staffing, finances, academic performance, operational performance, innovative practices and implementation, and future plans. A charter school must distribute the annual report by publication, mail, or electronic means to the commissioner, sponsor, school employees, and parents and legal guardians of students enrolled in the charter school and must also post the report on the charter school's official Web site. The reports are public data under chapter 13.

Subd. 15. Review and comment.

(a) The authorizer shall provide a formal written evaluation of the school's performance before the authorizer renews the charter contract. The department must review and comment on the

authorizer's evaluation process at the time the sponsor submits its application for approval and each time the authorizer undergoes its five-year review under subdivision 3, paragraph (e).

(b) A sponsor shall monitor and evaluate the fiscal, operational, and student performance of the school, and may for this purpose annually assess a charter school a fee according to paragraph (c). The agreed-upon fee structure must be stated in the charter school contract.

(c) The fee that each charter school pays to an authorizer each year is the greater of:

(1) the basic formula allowance for that year; or

(2) the lesser of:

(i) the maximum fee factor times the basic formula allowance for that year; or

(ii) the fee factor times the basic formula allowance for that year times the charter school's adjusted marginal cost pupil units for that year. The fee factor equals .005 in fiscal year 2010, .01 in fiscal year 2011, .013 in fiscal year 2012, and .015 in fiscal years 2013 and later. The maximum fee factor equals 1.5 in fiscal year 2010, 2.0 in fiscal year 2011, 3.0 in fiscal year 2012, and 4.0 in fiscal years 2013 and later.

(d) The department and any charter school it charters must not assess or pay a fee under paragraphs (b) and (c).

(e) For the preoperational planning period, the authorizer may assess a charter school a fee equal to the basic formula allowance.

(f) By September 30 of each year, an authorizer shall submit to the commissioner a statement of expenditures related to chartering activities during the previous school year ending June 30. A copy of the statement shall be given to all schools chartered by the authorizer.

Subd. 16. **Transportation.**

(a) A charter school after its first fiscal year of operation by March 1 of each fiscal year and a charter school by July 1 of its first fiscal year of operation must notify the district in which the school is located and the Department of Education if it will provide its own transportation or use the transportation services of the district in which it is located for the fiscal year.

(b) If a charter school elects to provide transportation for pupils, the transportation must be provided by the charter school within the district in which the charter school is located. The state must pay transportation aid to the charter school according to section 124D.11, subdivision 2.

For pupils who reside outside the district in which the charter school is located, the charter school is not required to provide or pay for transportation between the pupil's residence and the border of the district in which the charter school is located. A parent may be reimbursed by the charter school for costs of transportation from the pupil's residence to the border of the district in which the charter school is located if the pupil is from a family whose income is at or below the poverty level, as determined by the federal government. The reimbursement may not exceed the pupil's actual cost of transportation or 15 cents per mile traveled, whichever is less. Reimbursement may not be paid for more than 250 miles per week.

At the time a pupil enrolls in a charter school, the charter school must provide the parent or guardian with information regarding the transportation.

(c) If a charter school does not elect to provide transportation, transportation for pupils enrolled at the school must be provided by the district in which the school is located, according to sections 123B.88, subdivision 6, and 124D.03, subdivision 8, for a pupil residing in the same district in which the charter school is located. Transportation may be provided by the district in which the school is

located, according to sections 123B.88, subdivision 6, and 124D.03, subdivision 8, for a pupil residing in a different district. If the district provides the transportation, the scheduling of routes, manner and method of transportation, control and discipline of the pupils, and any other matter relating to the transportation of pupils under this paragraph shall be within the sole discretion, control, and management of the district.

Subd. 17. Leased space.

A charter school may lease space from an independent or special school board eligible to be an authorizer, other public organization, private, nonprofit nonsectarian organization, private property owner, or a sectarian organization if the leased space is constructed as a school facility. The department must review and approve or disapprove leases in a timely manner.

Subd. 17a. Affiliated nonprofit building corporation.

(a) Before a charter school may organize an affiliated nonprofit building corporation (i) to renovate or purchase an existing facility to serve as a school or (ii) to construct a new school facility, an authorizer must submit an affidavit to the commissioner for approval in the form and manner the commissioner prescribes, and consistent with paragraphs (b) and (c) or (d).

(b) An affiliated nonprofit building corporation under this subdivision must:

- (1) be incorporated under section 317A and comply with applicable Internal Revenue Service regulations;
- (2) submit to the commissioner each fiscal year a list of current board members and a copy of its annual audit; and
- (3) comply with government data practices law under chapter 13.

An affiliated nonprofit building corporation must not serve as the leasing agent for property or facilities it does not own. A charter school that leases a facility from an affiliated nonprofit building corporation that does not own the leased facility is ineligible to receive charter school lease aid. The state is immune from liability resulting from a contract between a charter school and an affiliated nonprofit building corporation.

(c) A charter school may organize an affiliated nonprofit building corporation to renovate or purchase an existing facility to serve as a school if the charter school:

- (1) has been operating for at least five consecutive school years and the school's charter has been renewed for a five-year term;
- (2) has had a net positive unreserved general fund balance as of June 30 in the preceding five fiscal years;
- (3) has a long-range strategic and financial plan;
- (4) completes a feasibility study of available buildings; and
- (5) documents sustainable enrollment projections and the need to use an affiliated building corporation to renovate or purchase an existing facility to serve as a school.

(d) A charter school may organize an affiliated nonprofit building corporation to construct a new school facility if the charter school:

- (1) demonstrates the lack of facilities available to serve as a school;
- (2) has been operating for at least eight consecutive school years;

(3) has had a net positive unreserved general fund balance as of June 30 in the preceding eight fiscal years;

(4) completes a feasibility study of facility options;

(5) has a long-range strategic and financial plan that includes sustainable enrollment projections and demonstrates the need for constructing a new school facility; and

(6) a positive review and comment from the commissioner under section 123B.71.

Subd. 18.

[Repealed by amendment, 2009 c 96 art 2 s 41]

Subd. 19. **Disseminate information.**

(a) The authorizer, the operators, and the department must disseminate information to the public on how to form and operate a charter school. Charter schools must disseminate information about how to use the offerings of a charter school. Targeted groups include low-income families and communities, students of color, and students who are at risk of academic failure.

(b) Authorizers, operators, and the department also may disseminate information about the successful best practices in teaching and learning demonstrated by charter schools.

Subd. 20. **Leave to teach in a charter school.**

If a teacher employed by a district makes a written request for an extended leave of absence to teach at a charter school, the district must grant the leave. The district must grant a leave not to exceed a total of five years. Any request to extend the leave shall be granted only at the discretion of the school board. The district may require that the request for a leave or extension of leave be made before February 1 in the school year preceding the school year in which the teacher intends to leave, or February 1 of the calendar year in which the teacher's leave is scheduled to terminate. Except as otherwise provided in this subdivision and except for section 122A.46, subdivision 7, the leave is governed by section 122A.46, including, but not limited to, reinstatement, notice of intention to return, seniority, salary, and insurance.

During a leave, the teacher may continue to aggregate benefits and credits in the Teachers' Retirement Association account under chapters 354 and 354A, consistent with subdivision 22.

Subd. 21. **Collective bargaining.**

Employees of the board of directors of a charter school may, if otherwise eligible, organize under chapter 179A and comply with its provisions. The board of directors of a charter school is a public employer, for the purposes of chapter 179A, upon formation of one or more bargaining units at the school. Bargaining units at the school must be separate from any other units within an authorizing district, except that bargaining units may remain part of the appropriate unit within an authorizing district, if the employees of the school, the board of directors of the school, the exclusive representative of the appropriate unit in the authorizing district, and the board of the authorizing district agree to include the employees in the appropriate unit of the authorizing district.

Subd. 22. **Teacher and other employee retirement.**

(a) Teachers in a charter school must be public school teachers for the purposes of chapters 354 and 354a.

(b) Except for teachers under paragraph (a), employees in a charter school must be public employees for the purposes of chapter 353.

Subd. 23. **Causes for nonrenewal or termination of charter school contract.**

(a) The duration of the contract with an authorizer must be for the term contained in the contract according to subdivision 6. The authorizer may or may not renew a contract at the end of the term for any ground listed in paragraph (b). An authorizer may unilaterally terminate a contract during the term of the contract for any ground listed in paragraph (b). At least 60 days before not renewing or terminating a contract, the authorizer shall notify the board of directors of the charter school of the proposed action in writing. The notice shall state the grounds for the proposed action in reasonable detail and that the charter school's board of directors may request in writing an informal hearing before the authorizer within 15 business days of receiving notice of nonrenewal or termination of the contract. Failure by the board of directors to make a written request for a hearing within the 15-business-day period shall be treated as acquiescence to the proposed action. Upon receiving a timely written request for a hearing, the authorizer shall give ten business days' notice to the charter school's board of directors of the hearing date. The authorizer shall conduct an informal hearing before taking final action. The authorizer shall take final action to renew or not renew a contract no later than 20 business days before the proposed date for terminating the contract or the end date of the contract.

(b) A contract may be terminated or not renewed upon any of the following grounds:

- (1) failure to meet the requirements for pupil performance contained in the contract;
- (2) failure to meet generally accepted standards of fiscal management;
- (3) violations of law; or
- (4) other good cause shown.

If a contract is terminated or not renewed under this paragraph, the school must be dissolved according to the applicable provisions of chapter 308A or 317A.

(c) If the sponsor and the charter school board of directors mutually agree to terminate or not renew the contract, a change in sponsors is allowed if the commissioner approves the transfer to a different eligible authorizer to authorize the charter school. Both parties must jointly submit their intent in writing to the commissioner to mutually terminate the contract. The sponsor that is a party to the existing contract at least must inform the approved different eligible sponsor about the fiscal and operational status and student performance of the school. Before the commissioner determines whether to approve a transfer of authorizer, the commissioner first must determine whether the charter school and prospective new authorizer can identify and effectively resolve those circumstances causing the previous authorizer and the charter school to mutually agree to terminate the contract. If no transfer of sponsor is approved, the school must be dissolved according to applicable law and the terms of the contract.

(d) The commissioner, after providing reasonable notice to the board of directors of a charter school and the existing authorizer, and after providing an opportunity for a public hearing, may terminate the existing contract between the authorizer and the charter school board if the charter school has a history of:

- (1) failure to meet pupil performance requirements contained in the contract;
- (2) financial mismanagement or failure to meet generally accepted standards of fiscal management; or
- (3) repeated or major violations of the law.

(e) If the commissioner terminates a charter school contract under subdivision 3, paragraph (g), the commissioner shall provide the charter school with information about other eligible authorizers.

Subd. 23a. **Related party lease costs.**

(a) A charter school is prohibited from entering a lease of real property with a related party unless the lessor is a nonprofit corporation under chapter 317A or a cooperative under chapter 308A, and the lease cost is reasonable under section 124D.11, subdivision 4, clause (1).

(b) For purposes of this section and section 124D.11:

(1) "related party" means an affiliate or immediate relative of the other party in question, an affiliate of an immediate relative, or an immediate relative of an affiliate;

(2) "affiliate" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person;

(3) "immediate family" means an individual whose relationship by blood, marriage, adoption, or partnering is no more remote than first cousin;

(4) "person" means an individual or entity of any kind; and

(5) "control" means the ability to affect the management, operations, or policy actions or decisions of a person, whether through ownership of voting securities, by contract, or otherwise.

(c) A lease of real property to be used for a charter school, not excluded in paragraph (a), must contain the following statement: "This lease is subject to Minnesota Statutes, section 124D.10, subdivision 23a."

(d) If a charter school enters into as lessee a lease with a related party and the charter school subsequently closes, the commissioner has the right to recover from the lessor any lease payments in excess of those that are reasonable under section 124D.11, subdivision 4, clause (1).

Subd. 24. Pupil enrollment upon nonrenewal or termination of charter school contract.

If a contract is not renewed or is terminated according to subdivision 23, a pupil who attended the school, siblings of the pupil, or another pupil who resides in the same place as the pupil may enroll in the resident district or may submit an application to a nonresident district according to section 124D.03 at any time. Applications and notices required by section 124D.03 must be processed and provided in a prompt manner. The application and notice deadlines in section 124D.03 do not apply under these circumstances. The closed charter school must transfer the student's educational records within ten business days of closure to the student's school district of residence where the records must be retained or transferred under section 120A.22, subdivision 7.

Subd. 25. Extent of specific legal authority.

(a) The board of directors of a charter school may sue and be sued.

(b) The board may not levy taxes or issue bonds.

(c) The commissioner, a sponsor, members of the board of a sponsor in their official capacity, and employees of a sponsor are immune from civil or criminal liability with respect to all activities related to a charter school they approve or sponsor. The board of directors shall obtain at least the amount of and types of insurance up to the applicable tort liability limits under chapter 466. The charter school board must submit a copy of the insurance policy to its authorizer and the commissioner before starting operations. The charter school board must submit changes in its insurance carrier or policy to its authorizer and the commissioner within 20 business days of the change.

Subd. 26.

[Repealed by amendment, 2009 c 96 art 2 s 41]

History:

1991 c 265 art 3 s 38; art 9 s 3; 1992 c 499 art 12 s 1; 1993 c 224 art 9 s 2-12; art 14 s 16; 1994 c 465 art 2 s 1; 1994 c 647 art 9 s 1,2; 1Sp1995 c 3 art 9 s 2; art 16 s 13; 1996 c 412 art 4 s 2; 1Sp1997 c 4 art 5 s 5-9; 1998 c 397 art 2 s 2-21,164; art 11 s 3; 1998 c 398 art 2 s 4; art 5 s 3,55; 1999 c 241 art 5 s 7-11; 2000 c 489 art 6 s 18-23; 1Sp2001 c 6 art 2 s 20-26,66; 2002 c 352 s 10; 2003 c 120 s 3; 2003 c 130 s 12; 1Sp2003 c 9 art 2 s 21-25; art 12 s 10,11; 2005 c 107 art 2 s 60; 1Sp2005 c 5 art 2 s 59-62; 2006 c 263 art 2 s 15; 2007 c 146 art 2 s 23-25,47; 2009 c 96 art 2 s 41

NOTE: The changes in subdivision 3, paragraph (b), clause (2), shall not apply to a sponsor under Minnesota Statutes 2008, section 124D.10, that is a party to a charter contract on May 17, 2009, except that subdivision 3, paragraph (b), clause (2), item (iv), applies to such sponsors beginning July 1, 2011. Laws 2009, chapter 96, article 2, section 41, the effective date.

NOTE: The amendment to subdivision 9 by Laws 2009, chapter 96, article 2, section 41, is effective May 17, 2009, and applies to the 2010-2011 school year and later. Laws 2009, chapter 96, article 2, section 41, the effective date.

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- i Minn. Stat. § 124D.10 3(f).
 - ii Minn. Stat. § 124D.10 3(c)(1) (capacity and infrastructure).
 - iii See generally Minn. Stat. § 124D.10 3(c)(2).
 - iv Minn. Stat. § 124D.10 3(a) (“mission statement, school purposes”).
 - v Minn. Stat. § 124D.10 3(a) (“program design”).
 - vi Minn. Stat. § 124D.10 3(a) (“governance and management structure”).
 - vii Minn. Stat. § 124D.10 3(a) (“financial plan”).
 - viii Minn. Stat. § 124D.10 3(a) (“background and experience”).
 - ix Minn. Stat. § 124D.10 3(c)(2).
 - x Minn. Stat. § 124D.10 3(c)(2) (generally); subd. 19 (dissemination).
 - xi Minn. Stat. § 124D.10 3(c)(2) (generally); subd. 19 (dissemination).
 - xii Minn. Stat. § 124D.10 3(c)(2) (generally); subd. 19 (dissemination).
 - xiii See generally Minn. Stat. § 124D.10 3(c)(3)-(4); (d)(4)-(5) (contracting and oversight).
 - xiv Minn. Stat. § 124D.10 6(9) (contract term); subd 4(a), (d) (corporate status/terms, authority to sign, board composition requirements).
 - xv Minn. Stat. § 124D.10 6(2).
 - xvi Minn. Stat. § 124D.10 6(3) (admissions); 6(4) (governance and management); 9 (recruitment and enrollment); 13 (calendar); 8(i) (student discipline); 16 (transportation); 11, 21, 22 (employee status and personnel matters); 6(8) (insurance); 6a(b) (third-party service providers); 4a (board operation and conflict of interest); 8 (federal and state requirements).
 - xvii Minn. Stat. § 124D.10 6(11) (generally); 6a, 8j (audit), 9 (funding and enrollment); 15(b) (authorizer administrative fees).
 - xviii Minn. Stat. § 124D.10 8 (federal, state and local compliance).
 - xix Minn. Stat. § 124D.10 6(10), 12.
 - xx Minn. Stat. § 124D.10 15(b).
 - xxi Minn. Stat. § 124D.10 4(c) (“ready-to-open” standards).
 - xxii Minn. Stat. § 124D.10 6(2) (academic and nonacademic outcomes), 6(11), 10, 15(b).
 - xxiii Minn. Stat. § 124D.10 14 (annual report), 15(b).
 - xxiv Minn. Stat. § 124D.10 6(11) 6a (audit), 15(b).
 - xxv Minn. Stat. § 124D.10 8a, 8b (violations and aid reduction).
 - xxvi Minn. Stat. § 124D.10 subd 4(j).
 - xxvii Minn. Stat. § 124D.10 23.
 - xxviii Minn. Stat. § 124D.10 15, 23.
 - xxix Minn. Stat. § 124D.10 23.
 - xxx Minn. Stat. § 124D.10 6(12).
 - xxxi Minn. Stat. § 124D.10 4a(c).
 - xxxii Minn. Stat. § 124D.10 7 (exemption from statutes and rules).
 - xxxiii Minn. Stat. § 124D.10 4(i) (services).

- xxxiv Minn. Stat. § 124D.10 1(a)(3)-(4).
- xxxv Minn. Stat. § 124D.10 1(a)(1) (purpose to improve pupil learning and student achievement); 3(d)(6) (renewal based on “success in increasing student achievement”).
- xxxvi Minn. Stat. § 124D.10 1(a)(1).
- xxxvii For purposes of validity and reliability, the department will consider performance information only for schools with at least two-years of data.
- xxxviii For purposes of validity and reliability, the department will consider performance information only for schools with at least two-years of data.
- xxxix Minn. Stat. § 124D.10 1(a)(1) (purpose to improve pupil learning and student achievement); 3(d)(6) (renewal based on “success in increasing student achievement”).

Minnesota's High Quality Charter School Calculations Explained

Introduction

This report details the results of analyses undertaken to assess growth in academic achievement among students enrolled in Minnesota charter schools. These analyses are based on Minnesota students during Academic Years 2009 and 2010 who were enrolled October 1 in the school in which they took MCA-II tests the following spring, and for whom a corresponding MCA-II assessment record from the prior tested grade was available for growth calculations. The primary measurement obtained for each student is their Minnesota growth score, which can be interpreted as how many standard deviations their current year score is above (or below) the mean score for students who had the same score as they did the prior year. Data from the first three years of the MCA-II test program were used to derive the normative data on which the growth calculations are based. If there is no change in the score trajectories for students and no year-to-year errors in equating, then each year the observed growth (Z) scores will have mean 0, standard deviation 1.

The first analyses addressed the overall growth measures for Minnesota students in charter and other public schools. These results are reported in Table 1. Several points are evident from this table. First, although approximately 90% of Minnesota students tested each year have data to permit Minnesota growth calculations, the proportion of charter school students for whom that calculation can be made is substantially less (approximately 60-65% of enrolled charter school students), raising the possibility of differential selection as a threat to the validity of conclusions that can be made. Based on the results from the students available, there were consistent differences across grades in 2009 showing favoring non-charter students, particularly in high school grades. These differences moderated to a large degree in 2010, but remained substantial among high schoolers. Finally, there is evidence that there has been a shift towards greater conditional growth, particularly in grade 6 reading, since the baseline norms were established. For that reason, it may be appropriate to introduce grade specific adjustments in order to reduce the effects of grade variation in growth trends on these analyses.

School Calculations

For each non-charter and charter school, growth participation rates were calculated by dividing the number of students for whom growth data were available by the number of students for whom growth data were expected to exist. In order to mitigate the effects of sampling bias and sampling error, it was decided that primary emphasis would be placed on schools where participation rates were at least 80% and at least 20 students had usable growth data. Only about a third of charter schools met this criterion; the percentage was substantially higher for non-charter schools (I could calculate this). Within a school, mean growth scores were calculated in two ways. Under the first procedure, student growth scores were calculated according to usual practice (conditional z-scores, based on the baseline samples). The second procedure involved adjusting school means by grade by subtracting the statewide mean growth score for the grade in 2009 or 2010. In practice, the adjustment had little impact on the outcome; correlations between growth scores obtained under the two procedures correlated well above .90.

BETTER SCHOOLS FOR A BETTER MINNESOTA

“Taking what’s good and making it better”

A 7-Point Plan for Achieving Excellence

1. Funding Education for the Future

- Invest in Early Childhood and All-Day Kindergarten
- Invest in strategies that close the achievement gap and target resources to the classroom
- Establish a Governor’s Commission on Better School Funding

2. Better Early Childhood Education

- Target All-Day Kindergarten
- Expand existing K-12 system into a comprehensive pre-K–12 system
- Implement clearly defined school readiness standards

3. Raise the Bar – Close the Gap

- Set accountability targets to close achievement gaps
- Establish *Governor’s Award for Excellence in Education*
- Establish *Governor’s Achievement Gap Innovation Fund*

4. Reading Well by 3rd Grade

- Launch Statewide Literacy Campaign
- Set school accountability targets to ensure all students are reading well by Grade 3
- Adopt Pre-K–3 Literacy Standards

5. Support Teaching for Better Schools

- Create alternative pathways to teacher licensure that maintain quality
- Establish a statewide teacher performance evaluation and development system and create support networks
- Support early childhood teacher observation and development

6. Better Testing for Better Results

- Develop assessments *for* learning that measure growth
- Establish a Test Reduction Task Force
- Examine new accountability measures based on growth that fairly assess and report student and school progress

7. A Department of Education that Provides Educational Leadership and Support

- Reposition Minnesota Department of Education to support teachers, schools and districts
- Reauthorize **Statewide Early Childhood Advisory Council** and reestablish **Children’s Cabinet**
- Charge Commissioner of Education with leadership of early childhood initiatives



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**Competitive – 859 - Federal – Charter Schools Program Planning
Grant Opportunity Materials**

TO: Approved Charter School Development Teams

FROM: Karen Klinzing, Deputy Commissioner

DATE: September 28, 2010

ACTION REQUIRED: Submission of Application Materials by **Monday, November 15, 2010, Midnight, Central Standard Time**

The Minnesota Department of Education (MDE), Charter School Center, is soliciting applications from approved charter school development teams. This notification of the availability of grant funds is made for the purpose of providing federal financial assistance for planning, program design and the initial implementation of a new high-performing charter school.

A total of \$1,260,000 is available to fund up to seven project(s) at approximately \$180,000.00 each from federal funds made available through Title V, Part B, Subpart 1 – Charter School Programs (CSP), CFDA 84.282A. Eligible applicants must be approved charter school development teams that include at least one individual currently licensed to teach in the state of Minnesota. Eligible applicants must have a new charter school affidavit approved by the commissioner of education to start a new public charter school in Minnesota per Minnesota Statutes, section 124D.10, subdivision 4(b). MDE highly encourages all eligible parties to respond.

The proposed initial award period is anticipated to be December, 2010, through July 31, 2011. MDE reserves the right to award continuation grants for an additional two years to the selected projects depending upon future funding available for this initiative and progress made during the initial grant periods.

Each application must contain the elements as listed in the Application Components Section.

This notification of grant opportunity does *not* obligate the state to make an award. The state reserves the right to cancel this notification if it is considered to be in the state's best interest or if funding is terminated.

If you are interested in applying for this grant you must download and save all Grant Opportunity materials related to the grant opportunity to your personal computer. Please refer to the Application Submission Steps for important information on preparing and submitting your application into our System. Start early to ensure that your application is submitted and signed by the due date and time above.

GENERAL INFORMATION
Competitive – 859 – Federal - Charter Schools Program Planning
Grant Opportunity

ELIGIBLE APPLICANTS

This competitive grant opportunity is open to approved charter school development teams that include at least one individual currently licensed to teach in the state of Minnesota. Eligible applicants must have a new charter school affidavit approved by the commissioner of education to start a new public charter school in Minnesota per Minnesota Statutes, section 124D.10, subdivision 4(b).

TECHNICAL ASSISTANCE SESSION FOR APPLICANTS

A technical assistance session will be offered to applicants on Tuesday, October 12, 2010, from 9:00 a.m. – 12:00 p.m. in Conference Center B, Room 18, at the Minnesota Department of Education (MDE), in Roseville. All applicants are encouraged to attend. Please email Marsha Davis-Busch at marsha.davis-busch@state.mn.us to register for this session.

DEFINITIONS

Minnesota Charter Schools

Charter schools are independent public schools of choice for parents and students. The first charter school in the nation opened in Minnesota in 1992 and charter schools continue to be a popular choice for students seeking an alternative to traditional public schools. Teachers, parents and others begin charter schools when they see an educational need and want to design a school to meet that need.

The number of students that a charter school is able to serve for approved grade levels is the only allowable limitation to charter school admission. Since charter schools tend to be smaller schools, many of the schools have waiting lists each year. Currently, 148 charter schools serve approximately 35,000 Minnesota students enrolled in grades K-12. Two new charter schools are approved to open in the fall of 2011.

Charter schools are required to fulfill one or more of the six purposes identified in Minnesota's charter school law, Minnesota Statutes, section 124D.10: 1) improve pupil learning and student achievement; 2) increase learning opportunities for pupils; 3) encourage the use of different and innovative teaching methods; 4) measure learning outcomes and create different and innovative forms of measuring outcomes; 5) establish new forms of accountability for schools; and, 6) create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site.

Although each charter school offers a unique education program, students can expect quality education based on results. Charter schools employ licensed teachers, offer services to special needs students, and require students to take state and national tests to assure academic accountability and improvement. A charter school must design its programs to meet or exceed the outcomes adopted by the commissioner for public school students. Charter schools are open to all, do not charge tuition and there are no admission requirements to enroll students in charter schools.

Purpose of Federal Charter Schools Program (CSP) Grant Project:

- To increase national understanding of the charter schools model; and,
- To expand the number of high-quality charter schools available to students across the nation by providing financial assistance for planning, program design and initial implementation of new charter schools.

Minnesota Statewide CSP Goals:

The following state-level goals are approved for Minnesota's Federal CSP Grant Project; applicants are expected to meet one or more of these goals:

- At least 50 percent of new charter schools approved each year will target educationally disadvantaged populations, including economically disadvantaged students, English Language Learners, students with disabilities, and students who are most at risk of not meeting state academic standards.
- The development of new charter schools in areas where:
 - Parents show a high demand for additional school choice options (such as areas where existing charter schools have large waiting lists);

- A large proportion or number of public schools have been identified for improvement, corrective action, or restructuring under Title I;
- A large proportion of students have difficulty meeting Minnesota academic standards;
- A high concentration of families live in poverty; and/or,
- Public education options are limited, such as rural areas.

Allowable Activities under the Federal CSP Grant Project:

An eligible applicant receiving a grant under this program may use the grant funds only for:

- Post-award planning and design of the educational program, which may include:
 - Refinement of the desired educational results and of the methods for measuring progress toward achieving those results; and,
 - Professional development of board members, teachers and other staff who will work in the charter school; and,
- Initial implementation of the charter school, which may include:
 - Informing the community about the school;
 - Acquiring necessary equipment and educational materials and supplies;
 - Acquiring or developing curriculum materials; and,
 - Other initial start-up costs that cannot be met from state or local sources.

Priorities for CSP Grantees

The following priorities are approved for Minnesota’s Federal CSP Grant Project; applicants are expected to budget Federal CSP Planning Grant funds to address one or more of these priorities:

- Development and implementation of effective and innovative instructional methods to intentionally decrease the achievement gap;
- Teacher training and professional development to ensure teachers understand state academic standards and are using research-based teaching methodologies;
- Training for charter school board members in effective board management and operations;
- Outreach to economically and educationally disadvantaged families to ensure that all new schools are accessible to students with the greatest academic needs; and,
- Curriculum development to ensure the educational program and curriculum are aligned with Minnesota’s state academic standards and expectations under the No Child Left Behind Act.

MDE will conduct at least an annual review process to award Federal CSP Planning Grants.

FUNDS AVAILABLE AND AWARD AMOUNTS

A total of \$1,260,000.00 in grant funds will be available through July 31, 2011 for this competition. It is the intention of the Minnesota Department of Education (MDE), Charter School Center, to award up to seven project(s) up to approximately \$180,000.00 each for the pre-operation planning of a new charter school.

FUNDING PERIOD

The proposed initial award period is anticipated to be December, 2010, through July 31, 2011. An additional two years of continuation grants may be available to grantees to implement a new charter school once the school is operational. *Continuation awards are contingent upon evidence of compliance with Planning Grant project requirements and continued availability of federal funds.*

EXPECTATIONS – FINANCIAL AND PROGRAM REPORTING

If awarded a grant, you may be required to submit interim expenditure and progress reports, as well as a final expense and progress report by the timeframe/date and in the form and manner indicated in the Official Grant Award Notification (OGAN).

It is also important to mention a desk review may be performed on this grant at least once during the grant period. A random desk review may also occur. The desk review will be conducted on at least two object code line items for one reimbursement request. If you are contacted for a desk review, you will be sent a *MDE Expense Review* form to be completed and returned. Additionally, you will also provide MDE with a general ledger plus all source documents to support the line items identified. Source documentation includes, but is not limited to:

- payroll report for the reporting period of interest;
- time and effort reports for employees paid with grant funds;
- copies of written agreements with subcontractors [detailing purpose, duties, dates of service or dates of employment, rate of pay, etc.];
- copies of invoices [detailing purpose, duties, dates of service, type of purchase/merchandise, rate of pay if from subcontractor, etc.]
- receipts; and
- copies of *cancelled* checks; etc.

MDE reserves the right to request documentation of additional line items if deemed appropriate.

EXPENDITURES

Minnesota Public Schools Districts must report expenditures by using Uniform Financial Accounting and Reporting Standards (UFARS) budget object codes set up in a restricted grid using Finance Code 859 specific to this grant opportunity. A Budget Narrative Justification Worksheet is included in the application section and must be completed and submitted based on this restricted grid that includes budget object codes.

ADDITIONAL INFORMATION OR ASSISTANCE

The following Program Contact Representative is available to provide additional information or answer questions.

Contact: Cindy Murphy, Federal CSP State Project Director Charter School Center cindy.murphy@state.mn.us
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Questions related to the grant opportunity may **only** be answered by MDE’s Program Contact Representative identified above or his/her successor. Information received from an unauthorized source is not binding and could result in disqualification of your application due to misinformation. Other MDE personnel are **NOT** authorized to discuss this grant opportunity with responders, before the application submission deadline. Contact regarding this grant opportunity with any personnel not listed above could result in disqualification.

A list of questions posed and their responses will be distributed electronically to eligible applicants and then posted to the Charter Schools landing page of MDE’s website. All questions must be submitted by email to Cindy Murphy. Please enter “2010 Federal CSP Planning Grant Opportunity” in the subject line and include your contact information.

All questions must be submitted by 4:30 p.m. on **October 20, 2010.**

Responses will be communicated to eligible applicants by **October 26, 2010.**

Applicants will have an opportunity to ask questions at the technical assistance session discussed at the beginning of this section. As indicated above, questions after the technical assistance session must be submitted via email by October 20, 2010, and include complete contact information.

APPLICATION FORMAT

Directions for completion of the application materials should be carefully read and followed. Incomplete applications may not be forwarded to the review team. The total length of the application must not exceed **50** pages.

Please refer to the *Application Components* section for details on the specific requirements in completing all forms.

FEDERAL CHARTER SCHOOL PROGRAM PLANNING GRANT REQUIRED APPLICATION DOCUMENTS	
FORM	# OF PAGES COUNTED AS:
Application Cover Sheet	Does not apply to total page count
Assurances and Assurances to Comply	Does not apply to total page count
New Charter School Information Form	Does not apply to total page count
New Charter School Founder Contact Information	Does not apply to total page count
Workplan Narrative	Up to 50 pages total (see detail immediately below)
Budget Narrative Justification Worksheet	Does not apply to total page count

<i>Work Plan Narrative and Budget</i>	<i>Points</i>	<i>Page Limit</i>
I. Executive Summary	N/A	2
II. Minnesota Statewide CSP Goals and Innovation	12	5
III. Educational Program	24	11
IV. Accountability Goals	12	5
V. Governance and Management	24	12
VI. Community Involvement	8	3
VII. Marketing and Outreach	16	7
VIII. Authorizer	12	5
IX. Waiver Requests	N/A	N/A
Planning Grant Budget Narrative/Justification	12	N/A
Total =	120	50 pages

APPLICATION SUBMISSION DUE DATE

Grant applications are due to MDE by **Monday, November 15, 2010, Midnight, Central Standard Time**. Applications must be submitted and signed in the application site by this date and time.

SCREENING APPLICATIONS

The following items are reviewed for each application as part of the screening process. However, screening is not limited to the following:

Absolute Disqualification/Rejection:

- Submitted by email or fax
- Submitted by an ineligible applicant

Factors that may result in loss of points and/or disqualification/rejection from consideration:

- Submitted (this includes electronic signature application by authorized agent) by MDE after the due date and time as indicated in the grant instructions
- Incomplete application (i.e., missing required materials/documents)
- Application exceeds the maximum pages allowed
- Includes materials not permitted
- Missing budget and/or workplan

Applications that have met the screening criteria determined by the program area will be forwarded on for further review. During the review process, reviewers and/or MDE may take into consideration additional factors including, but not limited to, past performance in meeting outcomes, past timeliness and quality of reporting, demographics, geographic, program sustainability and/or programmatic diversity when determining final funding decisions. Recommendations from the review teams are considered. **All funding decisions made by MDE are final.**

Clarifications may be necessary before final approval is granted. Successful applicants may be partially or fully funded, depending on the availability of funding.

Successful applicants recommended for award should receive notification within 4 to 6 weeks. Selected applicants must wait until they receive the signed e-Official Grant Award Notification (OGAN) **before** providing any services and before any expenditure(s) may be incurred. ***Any expenses incurred prior to the full execution of the OGAN are not reimbursable and are the responsibility of the applicant/grantee.**

ADDITIONAL RESOURCES

- Minnesota's Charter School Law:
 - Minnesota Statutes, section 124D.10: <https://www.revisor.mn.gov/statutes/?id=124d.10>
 - Minnesota Statutes, section 124D.11: <https://www.revisor.mn.gov/statutes/?id=124d.11>

- Minnesota Department of Education:
 - Main Website: <http://education.state.mn.us/mde/index.html>
 - Charter Schools Landing Page:
http://education.state.mn.us/MDE/Academic_Excellence/School_Choice/Public_School_Choice/Charter_Schools/index.html

- U.S. Department of Education; Office of Innovation & Improvement:
 - Federal Public Charter Schools Program: <http://www2.ed.gov/programs/charter/index.html>
 - Elementary and Secondary Education Act of 1965, as amended, Title V, Part B, Subpart 1 — Public Charter Schools: <http://www2.ed.gov/policy/elsec/leg/esea02/pg62.html>
 - Non-Regulatory Guidance on the Charter Schools Program:
<http://www2.ed.gov/policy/elsec/guid/cspguidance03.pdf>

- Office of the Minnesota Attorney General - Charities Division: <http://www.ag.state.mn.us/Charities/>

- National Charter School Resource Center: <http://www.charterschoolcenter.org/>

- U.S. Charter Schools: http://www.uscharterschools.org/pub/uscs_docs/index.htm

- National Alliance for Public Charter Schools: <http://www.publiccharters.org/>

- National Resource Center on Charter School Finance & Governance: <http://www.charterresource.org/>

- National Association of Charter School Authorizers: <http://www.qualitycharters.org/index.php>

- Minnesota Association of Charter Schools: <http://www.mncharterschools.org/>

- Center for School Change: <http://www.centerforschoolchange.org/>

- Minnesota School Boards Association: <http://www.mnmsba.org/public/main.cfm>

- Minnesota Council of Nonprofits: <http://www.mncn.org/index.htm>

SERVS FINANCIAL: APPLICATION SUBMISSION STEPS

If you need assistance submitting your application or obtaining authorization, please contact MDE at mde.servsfinancial@state.mn.us.

Assistance is provided only during regular business hours. Your questions will be forwarded to the most appropriate person within the agency that can assist you.

Note: In order to complete your application and comply with reporting requirements, you must have an **organization site number (ORG) with MDE**. *See the information on the following page regarding this number.*

Web-Ex tutorials are available outlining the following features of SERVS Financial: **Registration, Grant Application Location, Grant Submission, Grant Signatures, Grant Monitoring** and others. You may access the tutorials at: https://education.state.mn.us/MDE/Data/SERVS/SERVS_Finan_Train_Materials/index.html.

1. Obtaining SERVS Financial Authorization

VERY Important! Before your agency can submit a grant application, all staff involved with the application process must be granted access to SERVS Financial. Access to SERVS Financial is accomplished in three steps:

- a. Agency Head (identified official with authority) completes the *SERVS Financial Access Authorization Form* by assigning user roles for *any* staff person using the MDE SERVS Financial on behalf of the organization.
 - b. Each staff person creates an MDE log in if they do not already have one.
 - c. Each staff person must login to SERVS Financial and request the appropriate role.
Access will be granted if the requested role matches the role assigned by the Agency Head.
- The *SERVS Financial Access Authorization Form* is located by accessing:
http://education.state.mn.us/MDE/Accountability_Programs/Prog_Account_Improve/index.html which then references the authorization form located at
<http://education.state.mn.us/mdeprod/groups/servs/documents/form/014173.pdf>.
 - The Agency Head will need to send the completed and signed form via email (in PDF format) to mde.servsfinancial@state.mn.us.
 - Below are the five user roles available in SERVS. Note: For this grant opportunity, SERVS Financial will be used only to submit and approve the grant application. Budgets will not be created nor payments made through the SERVS Financial System for awards under this grant opportunity. Therefore, functions listed below relating to creating a budget, viewing or making payment requests are not applicable under this grant opportunity and the applicant is encouraged to submit the SERVS Access Authorization Form for User Roles 1, 2 and 4 only for this grant opportunity.
 1. **Application and Budget:** submit grant application; create budget; view payment requests after a grant has been awarded
 2. **Approve Application and Budget:** review and *sign grant application* as authorized representative *with legal authority to sign on behalf of the organization* (e.g., Superintendent; Executive Director); perform application and budget tasks if needed. More than one person within the agency may be assigned authority to sign the grant application after it is submitted. However, that person may not create budgets or submit the grant application.
 3. **Account Register:** submit grant application; create budget; make payment requests
 4. **Read Only:** View all aspects of an awarded grant (e.g., application, budget, payment requests); *cannot change any information*
 5. **Review Competitive Grants:** Review and score grant applications assigned by MDE

- Although each staff person requests their role preference when requesting access to the SERVS Financial (see the *Registering to SERVS Financial* instructions below), the agency head must authorize the access level each person should have, as described above.
- Each person can only be assigned one role (e.g., Joe Smith *cannot* have the Applicant and Budget role AND the Account register role).
- More than one person can be assigned to each role (e.g., Joe Smith and Sally Right can both have the Application and Budget role).
- Once MDE receives the *SERVS Financial Access Authorization Form*, and the appropriate staff has requested clearance to SERVS Financial, MDE will process the request within 24 hours. You will be notified via e-mail if you are approved or denied for the role that you requested.
 - If you are denied access an explanation is included in the e-mail notification sent to you.
 - If you are approved you can then proceed with Registering to SERVS Financial (see instructions below).
- **NOTE:** Make sure that the e-mail address that you registered with when requesting an MDE account is accurate, as this is where all communications regarding the SERVS Access Authorization Form and the SERVS registration process will be sent. **Make sure that your e-mail software is not set to filter out e-mails from MDE as junk or spam.**

2. Obtaining Required ID Number Information Necessary to Complete the Application Cover Sheet

REQUIRED I.D. NUMBER

To apply for this grant opportunity your agency head will need to provide your school's organizational site number.

Obtaining an Organization Site Number with MDE

MDE will assign organization site numbers for applicants after the commissioner has approved new school affidavits. The Charter School Center will notify eligible applicants of organization site numbers once they are assigned. Applicants will need an organization site number to complete the application submission steps outlined below.

3. Preparing Your Application

While you are waiting to obtain access to SERVS Financial, you may begin preparing your grant application. Remember only one application document may be submitted into the system. The only time this would change is if an MDE staff person has placed your application into the resubmit status. More than one supplemental document may be attached, if necessary, for your application.

You **must** download the application from the MDE website. Any document(s) that you may have used for earlier grant opportunities will not work. To obtain an original application please go to:
http://education.state.mn.us/MDE/Accountability_Programs/Prog_Account_Improve/index.html. Choose *Grants Management Directory* and then select *All Open Grant Opportunities*.

- You must **download** and save all materials related to the grant opportunity to your personal computer.
- **Do not** copy and paste the grant opportunity application into a new Word document, as the system will not allow you to upload it in this format. The document that you upload *must be the same document* that you originally download.
- **Do not** use any underlines or hyperlinks in the application.

- **Do not** change the layout structure of the application. Your grant application must be completed using Microsoft® Office Word.
 - **If you are using Word 2003** for Windows or Word 2004 for Macintosh, the document must be saved in Word 97-2004 format and be named so that it has a “.doc” file extension. This is the document format that is compatible with Word 98 through Word 2004 for Macintosh and Word 97 through Word 2003 for Windows.
 - **If you are using Word 2007** for Windows or Word 2008 for Macintosh, the document must be saved in Word Document format and be named so that it has a “.docx” file extension. This is the default XML-based document format for Word 2008 for Macintosh and Word 2007 for Windows.
- The grant application is to be original work of the applying program. If a source is used, the materials that are paraphrased or copied must be cited appropriately.
- When you have finished preparing your grant application, you should send a copy of the application to the authorized representative/agency head for review *prior to uploading*. **Changes cannot be made to the application after it has been uploaded.**
- You should send a reminder to the agency head (identified official with authority) and inform him/her that he/she will need to electronically sign the application (before the due date and time) in order for it to be completely submitted and considered.
- It is important that you **allow enough time to obtain the agency head’s electronic signature** *prior* to the due date and time. MDE only considers applications to be completely submitted *after* electronic signatures have been obtained.

4. Registering to SERVS Financial – this is done after the SERVS Financial Access Authorization Form

Before you register, you **must** have an MDE account (user I.D. and password) and be sure that your agency head has submitted the *SERVS Financial Access Authorization Form to MDE* (see **step #1 above the SERVS Financial Authorization instructions**).

- If you do not have an MDE account, you are required to **self-register** and establish a User I.D. and Password at <http://education.state.mn.us/FinancialSystem/> (NOTE: if you already have an MDE account, you will login using your User I.D. and Password and skip to number 4 below (*select your SERVS Financial Role*)).
- From the MDE Web Site Login page (<http://education.state.mn.us/FinancialSystem/>):
 - (1) Select “Create new MDE Account”
 - (2) Accept the MDE agreement
 - (3) Complete your MDE account profile
 - (4) Select your SERVS Financial role
 - (5) Choose the organization(s) you represent (be sure to select the correct number)
 - (6) Click submit
- After you have requested your User I.D. and password, log out and await notification (via email) that your registration is complete.
- A request for access will be sent to MDE and your access will be confirmed by reviewing the SERVS Financial Access Authorization Form submitted by your agency head. Notification will occur within one business day.

5. Uploading your Application (for submission)

Note: Individuals must be pre-registered with MDE before they may submit an application. See the *SERVS Financial Authorization* and *Registering to SERVS Financial* instructions above.

Please ensure that the agency head (identified official with authority) has had a chance to review the application prior to uploading/submitting for signature. **Changes cannot be made to the application after it has been uploaded**, so you will want to be sure to upload the finalized version of your application. There is a time stamp applied when an application is uploaded.

NOTE: In the application submission site on SERVS, after you have attached your completed application and supplemental documents, you will also need to enter *specific* agency contact information for this grant. If you are selected for an award and this information is not available in SERVS it WILL delay the Official Grant Award Notification document from release.

- To submit a grant application through SERVS Financial, go to <https://education.state.mn.us/FinancialSystem/> Under *Grants Management Link*, select “login to SERVS Financial.” Once there, you will enter your User I.D. and Password, select your agency (if you have more than one) and select *Grants Management* to manage current applications or upload a new application.
- **The application document you upload into the MDE SERVS Financial MUST be the same *Word* document that you originally downloaded to your computer from the MDE website.** If you copy, cut or paste the downloaded document into another *Word* document, this will cause a major error and/or be considered a corrupt document, when you attempt to upload it. The system will not allow you to upload a new or different *Word* document; it must be the same *Word* document originally downloaded to your computer.
- The system will only allow you to upload up to five single supplementary attachments (e.g., Word or PDF). If you need to upload multiple documents, you can merge them into one single attachment if in the same format. If you have supplemental documents in different formats, you can attach each different type into the application site. However, only one application document may be uploaded into the application site.
- Once you have successfully uploaded your grant application into the system, the status will say “Signature Pending.”
- You should inform your agency head that an application has been submitted; the agency head needs to electronically sign the application in order for it to be considered and completely submitted. See the instructions below for *Obtaining Electronic Signatures*.
- Any applications submitted after the due date and time may be disqualified.
- Any applications submitted by any other means will *not* be accepted and will be automatically disqualified/rejected.
- Any applications submitted without an electronic signature, *may not* be accepted and may be automatically disqualified/rejected.

6. Obtaining Electronic Signatures

After you have uploaded your application into SERVS Financial, you need to obtain the electronic signature of the agency head (identified official with authority).

The agency head is the person with legal authority to sign legal documents on behalf of the school district, organization or agency (e.g., superintendent, Executive Director, CEO, Board Chair, etc) and must have been given the role of **Approve Application and Budget**. See the *SERVS Financial Authorization and Registering to SERVS Financial* instructions above.

- To electronically sign the application, the agency head must go to <https://education.state.mn.us/FinancialSystem/>. Under *Grants Management Link*, select “login to SERVS Financial.” Once there, you will enter your User I.D. and Password, select your agency (if you have more than one) and click on “submit.”
- Click on “Current Grant Applications” (on the left side).
- Select the application you want to sign from the list (the status should say *Signature Pending*).
- On the Grant Applications Details page, you will be able to review the grant application submitted. If satisfied, you will click *Sign Grant Application*.
- You *must* agree to the terms in the signature agreement in order to sign the document.
- The signature process is completely electronic. You will not provide your written signature nor will you provide an image of such. Instead, you will accept the MDE electronic signature agreement as the authorized representative and provide your MDE User I.D. and Password to confirm your identity.
- Your signature event is recorded (time and date) on the Grant Application Details page. The grant application status is now “Under Process” by MDE.
- Failure to comply with the signature requirements is a violation and breach of security and may result in disqualification.

If you have technical questions related to using SERVS Financial, Email MDE at mde.servsfinancial@state.mn.us, during regular business hours. Your question will be forwarded to the appropriate person in the agency that can assist you.

APPLICATION COMPONENTS

Competitive – 859 – Federal - Charter Schools Program Planning Grant Opportunity
Each application must contain the following elements.

APPLICATION COVER SHEET – MUST BE COMPLETED

You **MUST** complete the cover sheet for any application submitted. Please include the following:

- District/Agency/Organization (legal name)
- Organization site number
- Total amount requested for Planning Grant
- Contact information for Identified Official with Authority (see below)

You will be required to enter contact information into the application submission site in addition to the information entered into the cover sheet.

IDENTIFIED OFFICIAL WITH AUTHORITY - is the person with legal authority to sign legal documents on behalf of the organization. This person **must** also authorize any internal agency staff permission to use the MDE SERVS Financial. Every person using the system must have a level of access granted by the agency head. Only the identified official with authority to sign (i.e., agency head) is authorized to electronically sign the application as part of the application submission process. More than one person can be assigned this authority within a district. However, that additional person may not create budgets and make draw requests. Failure to obtain the required signatures will result in an automatic disqualification.

- For charter schools, the **chair of the school's board of directors** must sign as the Identified Official with Authority. If the school is not yet incorporated the person most likely to become the school's board chair should sign.
- The Identified Official with Authority can have no conflict(s) of interest with any party (employee, contractor, vendor, etc.) that has a financial interest in the grant award.
- The Identified Official with Authority must not be compensated or benefit financially, in any way, through a federal CSP grant.

PROGRAM CONTACT INFORMATION: Leave this blank.

BUSINESS MANAGER/ACCOUNTING CONTACT INFORMATION: Leave this blank.

As the preparer of the application – your agency head (identified official with authority to sign) must be informed that any application submitted using MDE SERVS Financial requires their electronic signature. As part of this process, they will be required to complete a one-time self-registration to obtain a user ID (if they already have a MDE user ID, they will need to use that).

Note: Once your application is uploaded into the MDE SERVS Financial, you must obtain the required electronic signature by the due date and time for the application.

We highly recommend: that you email or alert the identified individual who must sign electronically, using text similar to the following:

*"I am in the process of submitting an application in response to a grant opportunity from the Minnesota Department of Education, titled [insert name of grant]. To locate our application/s, please go to <https://education.state.mn.us/FinancialSystem/>. Log in to SERVS Financial, select our organization, and select Grant Management in the left-hand menu. Under Current Grant Opportunities, your electronic signature is required where there is a status of "Signature Pending", Error! Hyperlink reference not valid. You must complete this step **before** the application due date and time deadline. As a signer, you will need to supply the organization's federal tax I.D number, state tax I.D. number, DUNS number (if federal) and CCR certification (if federal funding)."*

ASSURANCES AND AGREEMENT TO COMPLY

The applicant is required to submit the Assurances and the Agreement to Comply with Assurances as part of the application materials. The electronic signature applied to the application once submitted to MDE certifies that as an applicant/awardee your district/agency shall/will comply with all applicable federal, state and local laws, ordinances, rules and regulations, provisions and public policies required and all assurances in the performance of the grant opportunity. Please refer to the section titled *ASSURANCES*.

NEW CHARTER SCHOOL INFORMATION FORM – MUST BE COMPLETED

Complete the form provided in the application template.

NEW CHARTER SCHOOL FOUNDER CONTACT INFORMATION – MUST BE COMPLETED

Complete the form provided in the application template.

WORKPLAN NARRATIVE – MUST BE SUBMITTED

Below are the criteria/elements that must be included in the Workplan Narrative. Follow instructions carefully and do not exceed the page maximum. Total points possible including the budget: **120**

Use 12-point font and double-spaced text when entering responses in Workplan Narrative text boxes.

The following guide will be used by reviewers to evaluate each section:

Inadequate (1 Point)	Fair (2 Points)	Good (3 Points)	Excellent (4 Points)
Major weaknesses outweigh any strengths. This score applies to a response that contains a number of weaknesses that are likely to adversely impact the development and operation of a high-performing charter school that will meet the goals and priorities of this grant opportunity. A rating of “inadequate” in any section may render the application ineligible for funding.	Some important weaknesses. This score applies to a response that contains some strengths, but some weaknesses are likely to adversely impact the development and operation of a high-performing charter school that will meet the goals and priorities of this grant opportunity. A rating of “fair” in any section could render the application ineligible for funding.	Strengths outweigh weaknesses. This score applies to a response that contains a number of strengths. There are weaknesses, but, neither singly or collectively, are they likely to adversely impact the development and operation of a high-performing charter school that will meet the goals and priorities of this grant opportunity.	There are major strengths contained in the response to the criteria. This score applies to a response that can be characterized overall as very likely to lead to the development of a high-performing charter school that will meet the goals and priorities of this grant opportunity.

I. EXECUTIVE SUMMARY

Possible Points: N/A

Please limit the length of your response to approximately 2 pages.

Instructions:

Provide a one- to two-page summary that identifies a compelling need for the new school and presents the proposed school’s: mission and vision; statutory purpose(s); grade levels and total number of students to be served; intended location; educational philosophy and instructional approach; and plans to improve student achievement and exceed the academic performance of existing public schools in the targeted service area.

II. MINNESOTA STATEWIDE CSP GOALS AND INNOVATION

Possible Points: 12

Please limit the length of your response to approximately 5 pages.

Instructions:

- Describe how the new school addresses one or more Minnesota statewide goals under the Federal Charter Schools Program (CSP) Grant Project.
- Describe the innovative characteristics of the new school.

Section Criteria	
A	<p>The extent to which the proposed project will focus on serving or otherwise addressing the needs of disadvantaged individuals:</p> <ul style="list-style-type: none"> • The new school will target educationally disadvantaged populations, including economically disadvantaged students, English Language Learners, students with disabilities, and students who are most at risk of not meeting state academic standards.
B	<p>The new school will be located in an area where:</p> <ul style="list-style-type: none"> • Parents show a high demand for additional school choice options (such as areas where existing charter schools have large waiting lists); • A large proportion or number of public schools have been identified for improvement, corrective action, or restructuring under Title I; • A large proportion of students have difficulty meeting Minnesota's academic content standards; • A high concentration of families live in poverty; and/or, • Public education options are limited, such as rural areas.
C	<p>The school's new and/or unique characteristics would distinguish it as innovative relative to other education options in the area.</p>

III. EDUCATIONAL PROGRAM

Possible Points: 24

Please limit the length of your response to approximately 11 pages.

Instructions:

- Describe the educational program to be implemented by the proposed charter school, including:
 - i. How the program will enable all students to meet challenging state student academic achievement standards;
 - ii. The grade levels or ages of children to be served; and,
 - iii. The curriculum and instructional practices to be used.
- Describe the new school's proposed schedule and calendar, including:
 - i. An outline of a "typical day" at the new school;
 - ii. Length of day and sample schedule; and,
 - iii. Summary of school-year calendar.
- Describe how the charter school will comply with sections 613(a)(5) and 613(e)(1)(B) of the Individuals with Disabilities Education Act.

Section Criteria	
The quality of the proposed curriculum and instructional practices	
A	Complete, coherent educational program is fully described that presents clear plans to improve student academic achievement.
B	Convincing research is cited to clearly support the use of the educational program for the students targeted by the school.
C	Program is clearly designed to support state academic content standards.
D	<p>Instructional approaches are clear, adapted to unique needs of the expected student population and include plans for how teachers will master the approach:</p> <ul style="list-style-type: none"> • Reflects an understanding of professional development needs specific to the targeted student population

	and the unique characteristics of the educational program; and, <ul style="list-style-type: none"> • Job-embedded professional development initiatives will be utilized by the school.
E	School schedule and calendar provide sufficient opportunity to effectively deliver the proposed educational program.
Special Education	
F	Plans for serving students with special needs demonstrates evidence of understanding legal requirements: <ul style="list-style-type: none"> • School will appropriately serve students in the least restrictive environment; • School will employ or contract with appropriately licensed special education director, teachers, specialists, etc.; and, • An appropriate Child Find process will be used at the school.

IV. ACCOUNTABILITY GOALS

Possible Points: 12

Please limit the length of your response to approximately 5 pages.

Instructions:

- Present the accountability goals of the charter school (project objectives) and methods by which the charter school will determine its progress toward achieving accountability goals:
 - Use a SMART goal model to present goals (use goal table provided in application template);
 SMART goals are:
 S Specific and Strategic
 M Measurable
 A Attainable
 R Results-based and Rigorous
 T Time-bound
 - Present up to six accountability goals, *two to three of which* should address school-wide academic achievement based on state MCA-II test data (i.e., math, reading and science, as applicable to grades served); and,
 - Multi-year goals should include annual indicators of success.
- Describe the school’s plans to use assessment data to effect teaching and learning to improve student achievement.

Section Criteria	
A	Academic achievement SMART goals are ambitious, rigorous and focused on improved student achievement: <ul style="list-style-type: none"> • Minnesota Growth Model: If applicable, a significant percentage of proficient students demonstrate medium and high growth and a significant percentage of non-proficient students demonstrate high growth. • One or more accountability goals reflect the targeted student population and/or the school’s unique educational program.
B	The quality of the strategy for assessing achievement of the charter school’s accountability goals: <ul style="list-style-type: none"> • Proposed assessment of student achievement is annual, capable of shaping and improving teaching and learning, and extensive enough to determine whether educational goals are being achieved.
C	A strong plan for intentional use of achievement data to impact student achievement is evident.

V. GOVERNANCE AND MANAGEMENT

Possible Points: 24

Please limit the length of your response to approximately 12 pages.

Instructions:

- Describe how the charter school will be governed and managed.
 - Describe the school founders;
 - Describe the school’s governance plans; and,

- iii. Describe the board's plans for school management and leadership.
- Clearly disclose if any founders or board members intend to serve on the school's interim board and/or apply for employment at the new school.
- Provide an organizational chart for the new school.

Section Criteria	
The quality of the team who will carry out the proposed project	
A	<p>Primary school founders are well-positioned to develop and plan a new high-performing charter school. The founding group:</p> <ul style="list-style-type: none"> • Has capacity to oversee the successful development and implementation of the educational program presented in the application; • Has capacity to oversee the effective and responsible management of public funds; • Has capacity to oversee and be responsible for the school's compliance with its legal obligations; • Has experience and expertise that includes K-12 education, legal compliance, real estate and facilities, school financial management and accounting, fundraising and development, community engagement, and parent involvement; and, • Will generally have the capacity to found and sustain a high-performing public school.
B	<p>The school's board will ensure effective, accountable and representative governance over the school's operations:</p> <ul style="list-style-type: none"> • Demonstrates a clear understanding of the roles and responsibilities of a charter school board; • The governing board provides strong financial and policy oversight; and, • Well-qualified individuals will be recruited to serve on the school's board.
C	<p>The school has an intentional plan to strategically transition the founding board to a highly effective elected board in compliance with provisions in state law.</p>
D	<p>The school's board will ensure effective and transparent management of the school's operations:</p> <ul style="list-style-type: none"> • Management plans are sufficient to deliver the proposed educational program; • Organizational, management and financial plans demonstrate operational effectiveness and fiscal viability; and, • Demonstrates intent to use a fair and open process to select a well-qualified school leadership team including: <ul style="list-style-type: none"> ○ Recruitment and hiring timeline(s); and, ○ Plans to recruit candidates who are members of groups that have traditionally been underrepresented based on race, color, national origin, gender, age or disability.
E	<p>An intentional plan to strategically transition decision-making power from the interim board to the school leadership team is evident.</p>
F	<p>Organizational chart clearly distinguishes between governance (board) and management (school leadership) and provides key roles and responsibilities of each.</p>

VI. COMMUNITY INVOLVEMENT

Possible Points: 8

Please limit the length of your response to approximately 3 pages.

Instructions:

Describe how parents and other members of the community will be involved in the planning, program design, and implementation of the charter school.

Section Criteria	
A	<p>The extent of community support for the application:</p> <ul style="list-style-type: none"> • Presents a vision and strategy for meaningful community involvement that is reasonably likely to further the school's mission and program.
B	<p>The extent to which the proposed project encourages parental involvement:</p> <ul style="list-style-type: none"> • Parent and community involvement begins in the design stage and continues in substantive ways throughout the planning and implementation phases of the school.

VII. MARKETING AND OUTREACH

Possible Points: 16

Please limit the length of your response to approximately 7 pages.

Instructions:

- Describe how students in the community will be:
 - i. Informed about the charter school; and,
 - ii. Given an equal opportunity to attend the charter school.
- Complete and include the table provided in the applicant template in your response to this section; identify the number of students expected to attend the school each year by grade level (add additional rows to the table if it will take more than five years to reach full enrollment).

Section Criteria	
A	Outreach and recruitment plan demonstrates understanding of the community to be served and is likely to be effective, including reaching families traditionally less informed about educational options: <ul style="list-style-type: none"> • Plan addresses how students in the community will be informed about this charter school and given an equal opportunity to attend this charter school; and, • Plan addresses how this school will intentionally and specifically conduct outreach to educationally and economically disadvantaged and hard-to-reach populations.
B	Enrollment projections are supported by evidence of actual or potential demand and marketing and recruitment plans seem likely to generate enrollment sufficient to meet projections.
C	Describes an open admissions process that includes the use of a lottery to provide equal access to all students who apply.
D	School will not limit admission beyond grade level and class size capacity and will only exempt prospective students from the lottery that are provided preference in federal guidance <i>and</i> state law.

VIII. AUTHORIZER

Possible Points: 12

Please limit the length of your response to approximately 5 pages.

Instructions:

- Describe the administrative relationship between the charter school and the authorizer.
- Describe how the authorizer will provide for continued operation of the school once the federal CSP grant has expired, if the authorizer determines that the school has met the contract accountability goals.

Section Criteria	
A	Clear administrative relationship exists between the school and authorizer that demonstrates why the relationship is a good fit.
B	The degree of autonomy and independence afforded by the authorizer: <ul style="list-style-type: none"> • The administrative relationship presented will ensure the new school's independence and autonomy.
C	The authorizer has clear plans to use student achievement and other accountability data to evaluate the school's academic, financial and operational performance before charter renewal.

IX. WAIVER REQUESTS (OPTIONAL)

Possible Points: N/A

Page Count Limit Does Not Apply

Instructions:

Provide a request and justification for waivers of any federal or state statutory or regulatory provisions that the applicant believes are necessary for the successful operation of the charter school.

BUDGET NARRATIVE/JUSTIFICATION WORKSHEET

Possible Points: 12

Page Count Limit Does Not Apply

The Budget Narrative/Justification Worksheet template must be completed and submitted as part of the application for this grant opportunity. The worksheet is based on a restricted grid in UFARS specific to Finance Code 859 and identifies those budget object codes specific to this grant opportunity, which were already identified as allowable object codes by the program area for this project. Please note the additional budget information outlined below.

Your worksheet with justifications will be reviewed to determine if it aligns with your workplan goals and activities. It will also be reviewed to be sure that it provides enough justification to explain the total dollar amount for each budget object code. Your budget should be based on using the funds for necessary and reasonable expenditures to run the program.

The justification space expands to allow you the ability to insert additional information.

UFARS Dimensions

The Uniform Financial Accounting and Reporting Standards (UFARS) are standards developed to provide guidance on accounting procedures and identify the financial reporting requirements of local educational agencies (LEAs) in Minnesota. UFARS financial data must be reported to the Minnesota Department of Education (MDE) in a prescribed format. For more information on each of these dimensions, please refer to the UFARS manual at http://education.state.mn.us/MDE/Accountability_Programs/Program_Finance/Financial_Management/UFARS/index.html. If you have UFARS or accounting questions, please contact mde.ufars-accounting@state.mn.us.

Federal Charter Schools Program Planning Grant Budget

Instructions:

Describe how the subgrant funds will be used, including a description of how such funds will be used in conjunction with other federal programs administered by the U.S. Department of Education.

Section Criteria	
A	The extent to which subgrant funds will be used to address one or more of the priorities for Minnesota’s Federal CSP Grant Project: <ul style="list-style-type: none"> • Development and implementation of effective and innovative instructional methods to intentionally decrease the achievement gap; • Teacher training and professional development to ensure teachers understand state academic standards and are using research-based teaching methodologies; • Training for charter school board members in effective board management and operations; • Outreach to economically and educationally disadvantaged families to ensure that all new schools are accessible to students with the greatest academic needs; and, • Curriculum development to ensure the educational program and curriculum are aligned with Minnesota’s state academic standards and expectations under the No Child Left Behind Act.
B	The extent to which subgrant funds will support the school’s unique planning and development needs, including a description of how other funding sources, including other federal programs, will support the start-up and initial implementation of the new school.
C	The extent to which the budget appears reasonable, allowable and necessary to start a new charter school.

General Guidance:

- Round all object code amounts to the nearest dollar.
- All costs must be reasonable, allowable and necessary to start a new charter school.
- Proposals that include excessive costs or do not provide sufficient and persuasive rationale for requested amounts cannot be approved.
- Keep the budget narrative as simple as possible, while still providing a sufficient level of detail.
- Costs labeled “miscellaneous” will not be approved.

Clarifications Regarding Selected Items of Cost

Salaries and Wages (100 Object Series)

- Provide the following information for each grant-funded staff position: 1) title of position; 2) major grant-funded activities; 3) level of effort and length of time/number of weeks; 4) total salary during grant period or hourly wage; and, 5) projected dates of service (must be provided during the Planning Grant period).
- Staff time charged to the grant may only be for allowable services provided during the Planning Grant period.
- Total time for each staff position paid for through various funding streams shall not exceed one full-time equivalent (FTE).
- Federal CSP Project Management:
 - The budget narrative must specifically identify the position responsible for CSP project management (oversight of entire CSP grant project, coordination of all CSP grant-funded activities, and CSP grant liaison with MDE).
 - Specifically indicate this responsibility in a line item description, either under Salaries and Wages or under Consultant Services.
 - If CSP grant management is a stand alone line item, costs should **not exceed 5 percent** of the grant award (\$9,000) for this responsibility. If CSP grant management is one of many responsibilities of a position funded under the grant, then the portion related to CSP grant management should not exceed the maximum allowance for project management.
 - If CSP project management will be provided by the school in-kind (i.e., CSP project management will take place; however, costs will **not** be charged to the school's CSP grant), please explain under the Justification section of Object Code 110.
- Amounts provided in this category are for **budgeting purposes only**. Charges to the grant may only be for time *actually worked on grant activities* during the grant period and documented by after-the-fact Personnel Activity Reports (PARs) maintained on site.

Fringe Benefits (200 Object Series)

- Benefits are allowable only for salaries and wages charged to the grant.
- Percentage of benefits charged to grant must match staff time level of effort charged to grant.
- Provide a clear cost calculation for each type of benefit (by object code); it is unnecessary to break down each object code by position.

Purchased Services (300 Object Series)

- Consultant Services (303 and 304):
 - Provide the following information for each contract or fee for service agreement: 1) type of service to be provided; 2) number of hours or full days to be spent on grant-related activities; 3) projected hourly or daily rate (based on eight-hour day); and, 4) projected dates of service (must be provided during the Planning Grant period).
 - The contract executed with each contractor should not allow for work or obligations to begin before the executed date of this grant project and the contract should not extend beyond the end date of the grant project. The work duties should be clearly defined and should explain what initiative the work is related to and the outcome expected from the contractor including due dates for drafts, etc. The contract should outline the payment and invoicing terms. If travel expenses are included as part of the contract terms, maximum travel reimbursement costs should align with the Commissioner's Plan. Receipts for travel reimbursements should be submitted by the contractor to the school, along with expense reimbursement requests and invoices, prior to reimbursements. The inclusion of a cancellation clause in your contracts is recommended. Refer to <http://www.mmd.admin.state.mn.us/commissionersplan.htm> for current maximum travel reimbursement rates.
 - Each contract or agreement for services is presented separately.
 - Do **not** identify vendor names/organizations in the budget narrative. All federally funded services will need to be selected through an open and fair procurement process.
 - Hourly/daily rates must be reasonable and clearly justified.

- Amounts provided in this category are for **budgeting purposes only**. Charges to the grant may only be for time *actually worked on grant activities* and must be documented by project status reports (e.g., detailed monthly invoices) maintained on site.
- Evidence of services rendered (e.g., monthly after-the-fact work summaries or invoices submitted and signed by the contractor and approved by the school) must be maintained on site for all consultant services charged to this grant.
- Advertising, marketing and professional printing costs go here.
- Financial Audit: 100 percent of the costs associated with conducting a financial audit of the pre-operational fiscal year may be budgeted under the Planning Grant.
- Pre-Operational Authorizer Fee: 100 percent of the authorizer fee for the pre-operational year may be budgeted under the Planning Grant.
- Direct Grant Administrative Costs: Sufficient resources to effectively support the **financial** administration of the federal CSP subgrant award are allowable (e.g., bookkeeping, accounting, expenditure reporting, inventory maintenance, source document organization and filing).
 - This line item is in lieu of “indirect costs” as applicants do not yet have Indirect Cost Rates approved by the federal government.
 - Applicants may budget up to **5 percent** of the grant award (\$9,000) for financial administrative services.
 - Provide a cost calculation that includes the following: 1) type of service (either Salaries and Wages or Consultant Services); 2) list major grant administrative activities; 3) level of effort or total number of hours/number of days; 4) total salary during grant period or hourly/daily rate; and, 5) projected dates of service (must be provided during grant period).
 - Actual expenditures in this area cannot exceed 5 percent of the grant award.
 - This line item does not include CSP project management or other program costs necessary to implement allowable activities.
- Communication Services (320): Necessary and reasonable phone and internet costs should be budgeted here.
- Postage and Parcel Services (329): Postage costs should be budgeted here.
- Insurance (340): Present organizational insurance costs here, such as pre-operational board liability insurance (employee-specific benefits belong under the 200 Object Series).

Travel – General

- Subgrantees shall be reimbursed for pre-approved travel and subsistence expenses in the same manner and in no greater amount than in the current Commissioner’s Plan:
<http://www.mmd.admin.state.mn.us/commissionersplan.htm>.
- Staff will only be reimbursed for actual and allowable costs related to approved travel and original receipts documenting travel must be maintained on site at the school.
- Student travel costs **cannot** be charged to federal CSP grants.
- Meals already covered through registration fees (e.g., at conferences or workshops) will **not** be eligible for additional reimbursement.
- Staff Travel - In State (366):
 - Use this object code to budget costs for staff and board members to attend off-site training events, state conferences, in-state school site visits, MDE-required training, etc.
 - Present the following costs under this object code: registration fees, mileage and parking reimbursement, meal reimbursement and lodging.
 - Provide a cost calculation for each type of cost.
 - Applicants must include costs to send at least one person to the annual CSP All-Grantee Meeting and Workshop (include a \$50 registration fee and other necessary travel costs for a full-day meeting to be held in the metro area).
 - Present registration fees and necessary travel costs for state-mandated board member training here.
 - CSP Planning Grantees will have an opportunity to attend frequent training sessions at MDE during the pre-operational planning period; applicants are encouraged to budget up to \$50/month in registration fees plus other necessary travel costs to attend regular training sessions.
 - CSP Planning Grantees will be expected to attend a week-long New Director’s Training at MDE in the summer of 2011; please budget necessary travel costs for your school director to attend this week-long training.

- Staff Travel – Out of State (366):
 - Use this object code to budget costs for staff and board members to travel out-of state for conferences, site visits, etc.
 - In the budget narrative, detail the purpose, importance and relevancy the out-of-state travel has to the successful outcomes of the grant project.
 - Out-of-state travel must be approved in writing in advance before related costs can be charged against a federal CSP subgrant.
 - Present each out-of-state trip/conference/event as a **separate** line item.
 - Break down all costs associated for each out-of-state trip and provide cost calculations (name/type of event, positions/number of persons participating, registration fees, lodging, transportation, meals, etc.)
 - Please limit out-of-state travel to **no more than three** persons per trip; compelling justification must be provided to support an out-of-state trip with federal CSP grant funds for more than three persons.
- Operating Leases or Rentals (370): Use this object code only for the lease or rental of equipment that does **not** result in ownership of the asset (e.g., temporary office space).
- Staff Tuition Reimbursement (389): Planning subgrantees will most likely **not** use this object code since **only** costs for tuition reimbursement go here. Fees for professional trainers/workshop facilitators are presented under Consultant Services and registration fees to attend off-site workshops, conferences, meetings, etc., are presented under Staff Travel.

Supplies and Materials (400 Object Series)

- Provide cost calculations for all projected costs in this object series.
- Cost calculations may be based on a per-pupil or per-classroom basis, as appropriate.
- There is no need to break down costs by subject area.
- All non-consumable supplies purchased with federal grant funds (e.g., textbooks) should be labeled and updated property inventory records must be maintained.
- Examples of **unallowable** supply costs include gifts, gift certificates, giveaways, novelty items and entertainment coupons.
- Non-Instructional (401): This object code includes maintenance supplies, office supplies or computer software not used in instruction.
- Non-Individualized Instructional (430): Present non-individualized costs for classroom supplies consumed in the instructional process, including instructional computer software, periodicals, audio-visual aids and computer supplies.
- Individualized Instructional (433): Present educational materials that are designed primarily for individual pupil use in a particular class or program (not including textbooks or workbooks).
- Textbooks and Workbooks (460): Present books or books on VCR tapes or CD-ROM that a pupil uses as a text or text substitute in a particular class or program. This includes workbooks or manuals intended for use as a principle source of study materials for a given class or group of students, a copy of which is expected to be available for individual use of each pupil.
- Standardized Tests (461): Present costs to purchase standardized tests and the contracted scoring of these tests.
- Media Resources (470): Present costs for library books and books on VCR tapes or CD-ROM, dictionaries, reference sets, periodicals, journal subscriptions, etc., for general use (not for certain classes, grades or student groups).
- Food (490):
 - Food costs are allowable only if clearly specified in the approved budget narrative and must be clearly justified. Subsistence reimbursement costs related to staff/board travel for workshops and conferences belong under Staff Travel in the Purchased Services object series.
 - Food costs related to regular board meetings, faculty meetings, etc., are **not** allowable under this grant program.
 - Provide a clear cost calculation for all proposed food costs.

Capital Expenditures (500 Object Series)

- Items with a per-unit cost of \$500 or more belong in this object series.
- Specifically indicate the type and purpose of the equipment, number of units, projected unit cost, etc.
- Vehicles are **not** allowable.

- All items with a unit cost of \$1,000 or more must be specifically identified and approved in advance.
- All equipment purchased with federal grant funds should be labeled and updated property inventory records must be maintained at all times.
- Other Equipment Purchased (530): Present furniture and other equipment not classified in another object code of this series.
- Technology Equipment (555): Present technology equipment here. This includes computer and peripheral equipment, interactive telecommunication transmission equipment such as fiber optic cables, repeaters, transmitters, receivers, and antennas.
- Principal on Capital Lease/Installment Sales Contracts (580): Present principal amount of capital lease agreements and installment sales contracts here (e.g., lease-to-own copy machine).
- Interest on Capital Lease/Installment Sales Contracts (581): Present interest amount of capital lease agreements and installment sales contracts here.

Other Expenditures (800 Object Series)

- Dues, Memberships, Licenses and Certain Fees (820) is the only available object code in this series.
- Organizational memberships and filing fees for tax-exempt 501(c)3 status go here.
- Fee for services agreements, licenses, data access, etc., do not belong in this object series; they belong under Purchased Services (300 object series).

Grand Total Planning Grant Award

- Ensure total amount equals the sum of all object series values.

Other Funding Sources:

State and describe how other sources would support this proposed project (including other federal programs administered by the U.S. Department of Education as applicable. This should include private and public funds secured, pending, for which an application has been/will be submitted. This is **not** considered official “match,” but a general discussion of how other funding sources might support the initial implementation of the new charter school.

OTHER INFORMATION AND RESOURCES:

If awarded and once your budget has been approved, **any change to the total budget amount that exceeds 10 percent (10%) requires an official budget amendment.** An amendment requires the official signature of the agency head. If you need to allocate funds to a budget line-item object code that was not originally approved for expenditure reimbursement, you must also request a budget amendment. Please contact your grant specialist for a budget amendment request form.

MDE UFARS Manual: For further information on budget line-item object codes, refer to MDE's website at http://education.state.mn.us/MDE/Accountability_Programs/Program_Finance/Financial_Management/UFARS/index.html. If you have UFARS or accounting questions, please contact mde.ufars-accounting@state.mn.us.

Federally funded grants: Please refer to the Office of Management and Budget (OMB) Circulars A-122 for Non-Profits, A-87 for State, Local and Indian Tribal Governments (school districts and cooperatives) and A-21 for Institutions of Higher Education. These documents will provide a list of allowable and unallowable cost principles for federal funded grants and guidelines for maintenance of payroll documentation. All grant costs should be reasonable and necessary for the grant project and documented by grantee. To review OMB circulars, go to <http://www.whitehouse.gov/omb/circulars>.

Code of Federal Regulations, Title 34: For federally funded grants that are educational, please refer to <http://www.ed.gov/policy/fund/reg/edgarReg/edgar.html>.

Commissioner’s Plan: <http://www.mmd.admin.state.mn.us/commissionersplan.htm> (Chapter 15 and Appendix H)

2010 Federal Charter Schools Program Planning Grant Peer Reviewer Rubric

Total Points: _____ / 120 Possible

Application Name: _____

Reviewer Letter: _____

Review Instructions:

Complete this peer reviewer rubric in full. Click on the gray text form fields to type comments and enter scores. Score and provide evaluative comments for **each** section of the proposal.

The following scoring rubric should be used to evaluate the criteria of each section. Please pay particular attention to point values throughout the rubric as the possible points per section varies.

Inadequate (1 Point)	Fair (2 Points)	Good (3 Points)	Excellent (4 Points)
Major weaknesses outweigh any strengths. This score applies to a response that contains a number of weaknesses that are likely to adversely impact the development and operation of a high-performing charter school that will meet the goals and priorities of this grant opportunity. A rating of "inadequate" in any section may render the application ineligible for funding.	Some important weaknesses. This score applies to a response that contains some strengths, but some weaknesses are likely to adversely impact the development and operation of a high-performing charter school that will meet the goals and priorities of this grant opportunity. A rating of "fair" in any section could render the application ineligible for funding.	Strengths outweigh weaknesses. This score applies to a response that contains a number of strengths. There are weaknesses, but, neither singly or collectively, are they likely to adversely impact the development and operation of a high-performing charter school that will meet the goals and priorities of this grant opportunity.	There are major strengths contained in the response to the criteria. This score applies to a response that can be characterized overall as very likely to lead to the development of a high-performing charter school that will meet the goals and priorities of this grant opportunity.

Please review the following resources for additional information and instructions:

1. Peer Reviewer Guide
2. Peer Reviewer Training PowerPoint
3. 2010 Federal Charter Schools Program Planning Grant Opportunity Notice

Save completed rubrics to your computer and email all rubrics to cindy.murphy@state.mn.us no later than **4:30 p.m. on Thursday, December 2, 2010.**

SUMMARY COMMENTS (two to three sentences that summarize the highlights of your review of the entire application)

Comments (REQUIRED):

I. EXECUTIVE SUMMARY

Possible Points: N/A

Please limit the length of your response to approximately 2 pages.

Instructions:

Provide a one- to two-page summary that identifies a compelling need for the new school and presents the proposed school's: mission and vision; statutory purpose(s); grade levels and total number of students to be served; intended location; educational philosophy and instructional approach; and plans to improve student achievement and exceed the academic performance of existing public schools in the targeted service area.

Comments (optional):

II. MINNESOTA STATEWIDE CSP GOALS AND INNOVATION

Possible Points: 12

Please limit the length of your response to approximately 5 pages.

Instructions:

- Describe how the new school addresses one or more Minnesota statewide goals under the Federal Charter Schools Program (CSP) Grant Project.
- Describe the innovative characteristics of the new school.

		Section II Criteria					Score
		Inadequate	Fair	Good	Excellent		
		1	2	3	4		
		Maximum Possible Points = 12					
		The extent to which the proposed project will focus on serving or otherwise addressing the needs of disadvantaged individuals:					
A	• The new school will target educationally disadvantaged populations, including economically disadvantaged students, English Language Learners, students with disabilities, and students who are most at risk of not meeting state academic standards.	1	2	3	4		
B	The new school will be located in an area where:	1	2	3	4		

	<ul style="list-style-type: none"> Parents show a high demand for additional school choice options (such as areas where existing charter schools have large waiting lists); A large proportion or number of public schools have been identified for improvement, corrective action, or restructuring under Title I; A large proportion of students have difficulty meeting Minnesota's academic content standards; A high concentration of families live in poverty; and/or, Public education options are limited, such as rural areas. 					
C	The school's new and/or unique characteristics would distinguish it as innovative relative to other education options in the area.	1	2	3	4	
Section II Subtotal (12 maximum points possible)						

Comments:

III. EDUCATIONAL PROGRAM

Possible Points: 24

Please limit the length of your response to approximately 11 pages.

Instructions:

- Describe the educational program to be implemented by the proposed charter school, including:
 - How the program will enable all students to meet challenging state student academic achievement standards;
 - The grade levels or ages of children to be served; and,
 - The curriculum and instructional practices to be used.
- Describe the new school's proposed schedule and calendar, including:
 - An outline of a "typical day" at the new school;
 - Length of day and sample schedule; and,
 - Summary of school-year calendar.
- Describe how the charter school will comply with sections 613(a)(5) and 613(e)(1)(B) of the Individuals with Disabilities Education Act.

Section III Criteria		Inadequate	Fair	Good	Excellent	Score
Maximum Possible Points = 24		1	2	3	4	
<i>The quality of the proposed curriculum and instructional practices</i>						
A	Complete, coherent educational program is fully described that presents clear plans to improve student academic achievement.	1	2	3	4	
B	Convincing research is cited to clearly support the use of the educational program for	1	2	3	4	

	the students targeted by the school.						
C	Program is clearly designed to support state academic content standards. Instructional approaches are clear, adapted to unique needs of the expected student population and include plans for how teachers will master the approach: <ul style="list-style-type: none"> Reflects an understanding of professional development needs specific to the targeted student population and the unique characteristics of the educational program; and, Job-embedded professional development initiatives will be utilized by the school. 	1	2	3	4		
D	<ul style="list-style-type: none"> Reflects an understanding of professional development needs specific to the targeted student population and the unique characteristics of the educational program; and, Job-embedded professional development initiatives will be utilized by the school. 	1	2	3	4		
E	School schedule and calendar provide sufficient opportunity to effectively deliver the proposed educational program.	1	2	3	4		
<i>Special Education</i>							
F	Plans for serving students with special needs demonstrates evidence of understanding legal requirements: <ul style="list-style-type: none"> School will appropriately serve students in the least restrictive environment; School will employ or contract with appropriately licensed special education director, teachers, specialists, etc.; and, An appropriate Child Find process will be used at the school. 	1	2	3	4		
Section III Subtotal (24 maximum points possible)							

Comments:

IV. ACCOUNTABILITY GOALS

Possible Points: 12

Please limit the length of your response to approximately 5 pages.

Instructions:

- Present the accountability goals of the charter school (project objectives) and methods by which the charter school will determine its progress toward achieving accountability goals:

- Use a SMART goal model to present goals (use goal table provided in application template);

SMART goals are:

- S** Specific and Strategic
- M** Measurable
- A** Attainable
- R** Results-based and Rigorous
- T** Time-bound

- ii. Present up to six accountability goals, *two to three of which* should address school-wide academic achievement based on state MCA-II test data (i.e., math, reading and science, as applicable to grades served); and,
- iii. Multi-year goals should include annual indicators of success.
- Describe the school's plans to use assessment data to effect teaching and learning to improve student achievement.

Section IV Criteria						
Maximum Possible Points = 12						
		Inadequate	Fair	Good	Excellent	Score
		1	2	3	4	
A	Academic achievement SMART goals are ambitious, rigorous and focused on improved student achievement: <ul style="list-style-type: none"> • Minnesota Growth Model: If applicable, a significant percentage of proficient students demonstrate medium and high growth and a significant percentage of non-proficient students demonstrate high growth. • One or more accountability goals reflect the targeted student population and/or the school's unique educational program. 	1	2	3	4	
B	The quality of the strategy for assessing achievement of the charter school's accountability goals: <ul style="list-style-type: none"> • Proposed assessment of student achievement is annual, capable of shaping and improving teaching and learning, and extensive enough to determine whether educational goals are being achieved. 	1	2	3	4	
C	A strong plan for intentional use of achievement data to impact student achievement is evident.	1	2	3	4	
Section IV Subtotal (12 maximum points possible)						

Comments:

V. GOVERNANCE AND MANAGEMENT

Possible Points: 24

Please limit the length of your response to approximately 12 pages.

Instructions:

- Describe how the charter school will be governed and managed.
 - i. Describe the school founders;
 - ii. Describe the school's governance plans; and,
 - iii. Describe the board's plans for school management and leadership.
- Clearly disclose if any founders or board members intend to serve on the school's interim board and/or apply for employment at the new school.
- Provide an organizational chart for the new school.

Section V Criteria					
Maximum Possible Points = 24					
	Inadequate	Fair	Good	Excellent	Score
	1	2	3	4	
<p>Primary school founders are well-positioned to develop and plan a new high-performing charter school. The founding group:</p> <ul style="list-style-type: none"> • Has capacity to oversee the successful development and implementation of the educational program presented in the application; • Has capacity to oversee the effective and responsible management of public funds; 					
<p>A</p> <ul style="list-style-type: none"> • Has capacity to oversee and be responsible for the school's compliance with its legal obligations; • Has experience and expertise that includes K-12 education, legal compliance, real estate and facilities, school financial management and accounting, fundraising and development, community engagement, and parent involvement; and, • Will generally have the capacity to found and sustain a high-performing public school. 	1	2	3	4	
<p>The school's board will ensure effective, accountable and representative governance over the school's operations:</p> <ul style="list-style-type: none"> • Demonstrates a clear understanding of the roles and responsibilities of a charter school board; • The governing board provides strong financial and policy oversight; and, • Well-qualified individuals will be recruited to serve on the school's board. 	1	2	3	4	
<p>C</p> <p>The school has an intentional plan to strategically transition the founding board to a highly effective elected board in compliance with provisions in state law.</p> <p>The school's board will ensure effective and transparent management of the school's operations:</p> <ul style="list-style-type: none"> • Management plans are sufficient to deliver the proposed educational program; • Organizational, management and financial plans demonstrate operational effectiveness and fiscal viability; and, • Demonstrates intent to use a fair and open process to select a well-qualified school leadership team including: <ul style="list-style-type: none"> o Recruitment and hiring timeline(s); and, o Plans to recruit candidates who are members of groups that have traditionally been underrepresented based on race, color, national origin, gender, age or disability. 	1	2	3	4	
<p>E</p> <p>An intentional plan to strategically transition decision-making power from the interim board to the school leadership team is evident.</p>	1	2	3	4	

F	Organizational chart clearly distinguishes between governance (board) and management (school leadership) and provides key roles and responsibilities of each.	1	2	3	4
Section V Subtotal (24 maximum points possible)					

Comments:

VI. COMMUNITY INVOLVEMENT

Possible Points: 8

Please limit the length of your response to approximately 3 pages.

Instructions:

Describe how parents and other members of the community will be involved in the planning, program design, and implementation of the charter school.

Section VI Criteria		Inadequate	Fair	Good	Excellent	Score
Maximum Possible Points = 8		1	2	3	4	
A	The extent of community support for the application: <ul style="list-style-type: none"> Presents a vision and strategy for meaningful community involvement that is reasonably likely to further the school's mission and program. 	1	2	3	4	
B	The extent to which the proposed project encourages parental involvement: <ul style="list-style-type: none"> Parent and community involvement begins in the design stage and continues in substantive ways throughout the planning and implementation phases of the school. 	1	2	3	4	
Section IV Subtotal (8 maximum points possible)						

Comments:

VII. MARKETING AND OUTREACH

Possible Points: 16

Please limit the length of your response to approximately 7 pages.

Instructions:

- Describe how students in the community will be:

- i. Informed about the charter school; and,
 - ii. Given an equal opportunity to attend the charter school.
- Complete and include the table provided in your response to this section; identify the number of students expected to attend the school each year by grade level (add additional rows to the table if it will take more than five years to reach full enrollment).

Section VII Criteria					
Maximum Possible Points = 16					
	Inadequate	Fair	Good	Excellent	Score
A	1	2	3	4	
B	1	2	3	4	
C	1	2	3	4	
D	1	2	3	4	
Section VII Subtotal (16 maximum points possible)					

Comments:

VIII. AUTHORIZER

Possible Points: 12

Please limit the length of your response to approximately 5 pages.

Instructions:

- Describe the administrative relationship between the charter school and the authorizer.
- Describe how the authorizer will provide for continued operation of the school once the federal CSP grant has expired, if the authorizer determines that the school has met the contract accountability goals.

Section VIII Criteria		Inadequate	Fair	Good	Excellent	Score
Maximum Possible Points = 12		1	2	3	4	
A	Clear administrative relationship exists between the school and authorizer that demonstrates why the relationship is a good fit.	1	2	3	4	
B	The degree of autonomy and independence afforded by the authorizer: <ul style="list-style-type: none"> The administrative relationship presented will ensure the new school's independence and autonomy. 	1	2	3	4	
C	The authorizer has clear plans to use student achievement and other accountability data to evaluate the school's academic, financial and operational performance before charter renewal.	1	2	3	4	
Section VIII Subtotal (12 maximum points possible)						

Comments:

IX. WAIVER REQUESTS (OPTIONAL)

Possible Points: N/A
Page Count Limit Does Not Apply

Instructions:

Provide a request and justification for waivers of any federal or state statutory or regulatory provisions that the applicant believes are necessary for the successful operation of the charter school.

Comments (optional):

BUDGET NARRATIVE/JUSTIFICATION WORKSHEET

Possible Points: 12
Page Count Limit Does Not Apply

Instructions:

Describe how the subgrant funds will be used, including a description of how such funds will be used in conjunction with other federal programs administered by the U.S. Department of Education.

Budget Narrative/Justification Worksheet Criteria					
Maximum Possible Points = 12					
	Inadequate	Fair	Good	Excellent	Score
	1	2	3	4	
A	1	2	3	4	
<p>The extent to which subgrant funds will be used to address one or more of the priorities for Minnesota's Federal CSP Grant Project:</p> <ul style="list-style-type: none"> • Development and implementation of effective and innovative instructional methods to intentionally decrease the achievement gap; • Teacher training and professional development to ensure teachers understand state academic standards and are using research-based teaching methodologies; • Training for charter school board members in effective board management and operations; • Outreach to economically and educationally disadvantaged families to ensure that all new schools are accessible to students with the greatest academic needs; and, • Curriculum development to ensure the educational program and curriculum are aligned with Minnesota's state academic standards and expectations under the No Child Left Behind Act. 					
B	1	2	3	4	
<p>The extent to which subgrant funds will support the school's unique planning and development needs, including a description of how other funding sources, including other federal programs, will support the start-up and initial implementation of the new school.</p>					
C	1	2	3	4	
<p>The extent to which the budget appears reasonable, allowable and necessary to start a new charter school.</p>					
Budget Narrative/Justification Worksheet Subtotal (12 maximum points possible)					

Comments:

Budget Narrative

Budget Narrative

Attachment 1:

Title: Pages: Uploaded File: **1235-MN CSP Budget Narrative.pdf**

**Minnesota's Federal Charter Schools Program Grant Project
Budget Narrative**

Budget Categories	Description	Year 1	Year 2	Year 3	Year 4	Year 5	Total
1 Personnel *Costs include annual increase of 3% to account for potential cost of living and/or step increases	CSP Project Director	1 FTE = \$70,971	1 FTE = \$73,099	1 FTE = \$75,292	1 FTE = \$77,551	1 FTE = \$79,878	\$376,791
	Grant Specialist	1 FTE = \$53,265	1 FTE = \$54,863	1 FTE = \$56,509	1 FTE = \$58,204	1 FTE = \$59,950	\$282,791
	Charter School Supervisor	.10 FTE = \$7,621	.10 FTE = \$7,850	.10 FTE = \$8,086	.10 FTE = \$8,329	.10 FTE = \$8,579	\$40,465
	Charter Authorizer Specialist	.25 FTE = \$16,485	.25 FTE = \$16,980	.25 FTE = \$17,489	.25 FTE = \$18,014	.25 FTE = \$18,554	\$87,522
	Accountability Specialist	1 FTE = \$70,971	1 FTE = \$73,099	.50 FTE = \$37,646	.25 FTE = \$19,388	.25 FTE = \$19,970	\$221,074
	Administrative Support	.25 FTE = \$10,000	.25 FTE = \$10,300	.25 FTE = \$10,609	.25 FTE = \$10,927	.25 FTE = \$11,255	\$53,091
	Total	\$229,313 for 3.6 FTEs	\$236,191 for 3.6 FTEs	\$205,631 for 3.1 FTEs	\$192,413 for 2.85 FTEs	\$198,186 for 2.85 FTEs	\$1,061,734
2. Fringe Benefits	35% of Personnel	\$80,260	\$82,667	\$71,971	\$67,345	\$69,365	\$371,608
3. Travel * Costs for out-of-state travel include airfare, lodging, event registration, meals (not included in the cost of registration) and necessary mileage and/or parking costs	National CSP Project Director Meeting	CSP Project Director to attend annual meeting in D.C. = \$1,500	CSP Project Director to attend annual meeting in D.C. = \$1,500	CSP Project Director to attend annual meeting in D.C. = \$1,500	CSP Project Director to attend annual meeting in D.C. = \$1,500	CSP Project Director to attend annual meeting in D.C. = \$1,500	\$7,500
	National Charter Schools Conference	CSP Project Director and one other project staff member to attend National Conference (dates/location TBD) = \$4,000 (based on \$2,000/person)	CSP Project Director and one other project staff member to attend National Conference (dates/location TBD) = \$4,000 (based on \$2,000/person)	CSP Project Director and one other project staff member to attend National Conference (dates/location TBD) = \$4,000 (based on \$2,000/person)	CSP Project Director and one other project staff member to attend National Conference (dates/location TBD) = \$4,000 (based on \$2,000/person)	CSP Project Director and one other project staff member to attend National Conference (dates/location TBD) = \$4,000 (based on \$2,000/person)	\$20,000
	NACSA National Conference	One project staff member to attend NACSA national leadership conference	One project staff member to attend NACSA national leadership conference	One project staff member to attend NACSA national leadership conference	One project staff member to attend NACSA national leadership conference	One project staff member to attend NACSA national leadership conference	One project staff member to attend NACSA national leadership conference

		(dates/location TBD) = \$2,000					
	In-state mileage for monitoring, meetings, conferences and other events	\$1,000 (based on 2,000 miles x approx \$.50/mile)	\$1,500 (based on 3,000 miles x approx \$.50/mile)	\$2,000 (based on 4,000 miles x approx \$.50/mile)	\$2,500 (based on 5,000 miles x approx \$.50/mile)	\$2,500 (based on 5,000 miles x approx \$.50/mile)	\$9,500
	Total	\$8,500	\$9,000	\$9,500	\$10,000	\$10,000	\$47,000
4. Equipment	Computers, printers and other durable goods for project staff	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$10,000
5. Supplies	General office supplies for CSP grant project	\$500	\$500	\$500	\$500	\$500	\$2,500
*In addition to annual meetings, a large event, including lunch at \$9/person, will be held in third and fifth project years	Supplies, including light refreshments and snacks, for meetings and events	\$2,000	\$2,000	\$5,000	\$2,000	\$5,000	\$16,000
	Total	\$2,500	\$2,500	\$5,500	\$2,500	\$5,500	\$18,500
6. Contractual	Project Evaluator	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
	Best Practice Mini-Grants	\$10,000 (2 grants x \$5,000 each)	\$50,000				
	Peer Reviewer Stipends	\$3,600 (based on up to \$1,800 per cycle (\$300/reviewer x six reviewers per cycle) x two cycles/year	\$3,600 (based on up to \$1,800 per cycle (\$300/reviewer x six reviewers per cycle) x two cycles/year	\$3,600 (based on up to \$1,800 per cycle (\$300/reviewer x six reviewers per cycle) x two cycles/year	\$3,600 (based on up to \$1,800 per cycle (\$300/reviewer x six reviewers per cycle) x two cycles/year	\$3,600 (based on up to \$1,800 per cycle (\$300/reviewer x six reviewers per cycle) x two cycles/year	\$18,000
	Printing	\$0	\$2,000	\$2,000	\$2,000	\$2,000	\$8,000
	Space Rent,	\$27,000	\$27,000	\$23,250	\$21,375	\$21,375	\$120,000

	based on current rate of \$7,500/FTE	(\$7,500/FTE x 3.6 FTEs)	(\$7,500/FTE x 3.6 FTEs)	(\$7,500/FTE x 3.1 FTEs)	(\$7,500/FTE x 2.85 FTEs)	(\$7,500/FTE x 2.85 FTEs)		
	Total	\$90,600	\$92,600	\$88,850	\$86,975	\$86,975	\$446,000	
7. Construction	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
8. Other	Planning Subgrants	\$2,700,000 (based on 10 brand new Planning subgrants and 5 Planning subgrants for separate and/or significantly expanding schools = 15 Planning subgrants x \$180,000/subgrant)	\$3,600,000 (based on 10 brand new Planning subgrants and 10 Planning subgrants for separate and/or significantly expanding schools = 20 Planning subgrants x \$180,000/subgrant)	\$3,600,000 (based on 10 brand new Planning subgrants and 10 Planning subgrants for separate and/or significantly expanding schools = 20 Planning subgrants x \$180,000/subgrant)	\$3,600,000 (based on 10 brand new Planning subgrants and 10 Planning subgrants for separate and/or significantly expanding schools = 20 Planning subgrants x \$180,000/subgrant)	\$3,600,000 (based on 10 brand new Planning subgrants and 10 Planning subgrants for separate and/or significantly expanding schools = 20 Planning subgrants x \$180,000/subgrant)	\$17,100,000	
*Standard amount per 36-month subgrant is \$540,000 (\$180,000/year x three years). However, supplemental amounts may be requested, and awarded, if the subgrantee provides a compelling justification that additional funds are necessary during the Implementation period	Implementation Subgrants – first year	\$900,000 (based on 5 continuation subgrants initiated under previous award x \$180,000/subgrant)	\$2,700,000 (based on 15 subgrants x \$180,000/subgrant)	\$3,600,000 (based on 20 subgrants x \$180,000/subgrant)	\$3,600,000 (based on 20 subgrants x \$180,000/subgrant)	\$3,600,000 (based on 20 subgrants x \$180,000/subgrant)	\$14,400,000	
	Implementation Subgrants – second year	\$180,000 (based on 1 subgrant initiated under previous award x \$180,000/subgrant)	\$900,000 (based on 5 subgrants x \$180,000/subgrant)	\$2,700,000 (based on 15 subgrants x \$180,000/subgrant)	\$3,600,000 (based on 20 subgrants x \$180,000/subgrant)	\$3,600,000 (based on 20 subgrants x \$180,000/subgrant)	\$10,980,000	
	Supplemental Funds for Implementation Subgrants	\$300,000 (based 3 supplemental requests x \$100,000 per approved request)	\$700,000 (based 7 supplemental requests x \$100,000 per approved request)	\$1,000,000 (based 10 supplemental requests x \$100,000 per approved request)	\$1,500,000 (based 15 supplemental requests x \$100,000 per approved request)	\$1,500,000 (based 15 supplemental requests x \$100,000 per approved request)	\$1,500,000 (based 15 supplemental requests x \$100,000 per approved request)	\$5,000,000

	Total	\$4,080,000	\$7,900,000	\$10,900,000	\$12,300,000	\$12,300,000	\$47,480,000
9. Total Direct Costs	(lines 1-8)	\$4,493,173	\$8,324,958	\$11,283,452	\$12,661,233	\$12,672,026	\$49,434,842
10. Indirect Costs	Based on currently approved restricted rate of 20.8% charged for allowable costs	\$80,740	\$83,191	\$74,558	\$69,936	\$72,181	\$380,596
Indirect costs are charged to all personnel, fringe benefits, travel, equipment less than \$5,000, and supplies costs and to the first \$25,000 of each contract. Indirect costs are not charged to subgrants, but are charged to space rental costs.		(based on 20.8% x \$388,173 of allowable costs)	(based on 20.8% x \$399,958 of allowable costs)	(based on 20.8% x \$358,452 of allowable costs)	(based on 20.8% x \$336,233 of allowable costs)	(based on 20.8% x \$347,026 of allowable costs)	
11. Training Stipends	N/A	N/A	N/A	N/A	N/A	N/A	N/A
12. Total Costs	(lines 9-11)	\$4,573,913	\$8,408,149	\$11,358,010	\$12,731,169	\$12,744,207	\$49,815,448