



**U.S. Department of Education  
Office of Elementary and Secondary Education  
Charter Schools Program  
Recording Transcript – May 2024  
FY 2024 CSP Assessing Organizational Readiness for the State Entity Grant Webinar**

Welcome to today's Charter Schools Program State Entity Pre-Application webinar, "Assessing Organizational Readiness for the State Entity Grant." As we prepare to dive into today's webinar, I want to take a moment to ground us in the purpose. Prospective CSP SE grant applicants will gain an understanding of the key considerations in determining whether pursuing a CSP SE grant is a good fit for your organization at this time. To work toward the purpose, we will first discuss a brief overview of the CSP SE grant program and then provide some tips and considerations on an SE's organizational capacity, ability to meet statewide needs, and compatible state context. Please keep in mind that this webinar is not presenting requirements of the SE grant application, but key things to support applicants in ensuring that they are ready on day one to implement their grant projects.

Let's begin with a brief overview of the SE grant program. The CSP SE is a competitive grant program that enables state entities to award subgrants to eligible applicants in their state to open and prepare for the operation of new charter schools and to replicate and expand high-quality charter schools. This program provides financial assistance to state entities to support charter schools that serve elementary and secondary school students. Charter schools receiving funds under the CSP SE program also may serve students in early childhood education programs or postsecondary students.

Under the SE grant program, grantees provide technical assistance, or TA, to both eligible subgrant applicants and authorized public chartering agencies in the state to improve authorizing quality. State entities with a state statute specifically authorizing the establishment of charter schools are eligible to apply for the CSP SE grant program. Under Section 4303(e)(1) of the ESEA, no state entity may receive a grant under this program for use in a state in which a state entity is currently using a grant received under this program. Entities that can receive grants include a state educational agency, a state charter school board, a governor of a state, or a state charter school support organization. Please note that no applicant may receive a new award to conduct the same activities that are approved under existing active CSP grants.

Under Section 4303(e)(1) of the ESEA, no state entity may receive a grant under this competition for use in a state in which a state entity is currently using the CSP State Entity grant. State entities located in states in which a state entity has a current CSP SE grant that is not in its final budget period, or is in its final budget period, but the grantee plans to request a one-time no-cost extension in accordance with 34 CFR 75.261 and 2 CFR 200.308(e)(2), namely Alabama, Connecticut, District of Columbia, Florida, Georgia, Idaho, Illinois, Indiana, Louisiana, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Nevada, New Hampshire, New Jersey, New Mexico, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Washington, West Virginia, and Wisconsin are ineligible to apply for a CSP SE grant under this competition.

Under 34 CFR 75.261, a grantee may extend the project period of an award one time for up to 12 months without the prior approval of the department if the grantee meets requirements for an extension under 2 CFR 200.308(e)(2) and department statutes, regulations, and the terms of the award do not prohibit the extension. State entities in a state where an SE has a current CSP SE grant that is currently operating under a no-cost extension expiring September 30, 2024, or that is not operating under a no-cost extension but is in its final budget period and has notified the department that it does not intend to request a no-cost extension, are eligible to apply for a CSP SE grant under this competition. Those eligible states are Arizona, Arkansas, New York, Michigan, Delaware, Colorado, North Carolina, and New Mexico.

As stated earlier, state entities with a state statute specifically authorizing the establishment of charter schools that do not have current CSP grants in their final budget year or operating under a no-cost extension are eligible to apply for the CSP SE grant program. If multiple state entities in a state submit applications that receive high enough scores to be recommended for funding, under this competition, only the highest scoring applicants among the state would be funded.

With that overview of the SE grant program, we can now dive into some tips and considerations for applicants as you consider your organization's readiness for an SE grant. We begin by considering the SE's organizational capacity. It is important to understand if you assess your organization's readiness, that the CSP SE grant is a large undertaking. As a pass-through grant program, SEs are expected to, one, manage their own grant activities, budgets, and performance measures, and two, manage subgrant competitions, including publishing their RFA, conducting a peer review, and making awards, as well as monitor subgrantees for compliance with department requirements and requirements of the state and SE subgrant competition. This can be a lot to juggle, but successful SE grantees have all the necessary pieces in place on day one to execute both crucial roles.

Another key consideration of organizational capacity of an SE is staffing. We encourage potential SE grant applicants to evaluate whether they have staff in place with internal capacity to manage a pass-through grant, expertise in your state's charter sector, strong knowledge of generally accepted accounting principles, knowledge and skills to manage a federal grant project, and clear understanding of the SE's role in working with partners and contractors. While we understand that different organizations have differing levels of resources, in our experience and given the demands of the SE grant program, it is important to have staff with these skills in place at the start of the grant project to ensure that time can be maximized in meeting the goals and objectives of the grant project.

SE grantees may need to rely more on contractor support at the start of the grant project, but the department would expect to see clear lines of authority where the SE grantee is not relinquishing control of the grant to a third party. All key decision-making should remain with the SE grantee and ideally, the role of the third-party contractor diminishes over time as the SE builds up its own internal capacity through the grant project.

Like staffing, we recommend that a potential SE applicant carefully evaluate their organization's systems and procedures as they assess readiness for the SE grant. As we have noted earlier in this webinar, this grant project is a large undertaking, so having a clear system and documented procedures in place goes a long way toward ensuring a successful grant project. Some key systems and procedures to consider are financial management systems. Keep in mind that your organization will need to keep track of its own grant expenses as well as subgrantees, subawards, and drawdowns. Strong internal controls built into the organization's systems, particularly financial systems, you'll want to consider things like separating the roles of who approves expenses and who draws down funds.

Written policies and procedures for core functions of the organization and potentially the grant project. It will be important to consider procedures, for example, how subgrantees would request

reimbursements, the SE would review and approve those requests, and how subgrantees would access funds. Additionally, it's important to keep in mind that the SE grantee's organization should own these processes rather than contracted third parties.

Finally, the ability to carry out the core functions of the grant internally. While contractors can be a great support to the SE grantees with specific tasks, such as providing TA to eligible applicants on aspects of the subgrant application, it is critical that the SE's organization is able to manage and carry out the core function of the grant in-house. In our experience, an over-reliance on third-party contractors for core grant work can lead to a disconnect between the work that is carried out and what the SE grantee is expected to do based on the approved application, as well as issues of compliance with the requirements of the grant program. If an SE plans to use a third-party contractor to support it with core grant functions, the hope is that the SE's internal team builds its own capacity through that relationship and can then transition after the first year or two to managing the core grant functions internally.

And now, I'd like to transition to my colleague, Jill Gaitens.

Thank you, Nora. Next, we'll discuss some tips and considerations for ensuring that your SE has the ability to meet statewide needs. As you assess your organizational readiness for the SE grant, understanding the needs of your state is a foundation consideration. As noted in the CSP statute and the Notice Inviting Applications, or NIA, each state entity awarding subgrants under this competition shall award subgrants in a manner that, to the extent practicable and allocable, ensures each subgrants are (a) distributed throughout different areas, including urban, suburban, and rural areas, and will assist charter schools representing a variety of educational approaches. To do this, we recommend that potential SE grant applicants work to understand the available data in their state and engage key stakeholders in their plans for an SE grant project.

Leaning into the available data on charter schools and the whole charter sector in your state is critical to developing a successful SE grant project. It is important to understand that once awarded, SE grantees will not, and certainly not in the first year, have the opportunity to make changes to their proposals. To do so would undermine the peer review process and the competitive nature of the grant project. This means that it is important to gather as much information as possible to develop a strong proposal that you can be confident meets the needs of your state. Some examples of key statewide data to fully understand the potential pipeline as you prepare for a grant application project are enrollment trends, student assessment scores, and demand for certain educational models.

SE grant applicants might also consider conducting their own needs assessment to get a stronger sense of the number and types of subgrants (i.e., new charter schools, replication, or expansion subgrants). They should propose those numbers in their grant applications. Please note that the NIA includes a requirement that eligible applicants (i.e., potential subgrantees) conduct a needs assessment for their proposal subgrant projects as well. What we are discussing here is separate from the application requirement.

Recognizing the various types of entities that can be grantees, in addition to having a strong grasp on the available data in your state, understanding of community needs and the charter authorizing pipeline are critical to developing proposals that effectively meet the needs of your state. To do this well, we encourage SE applicants to meaningfully engage with key stakeholders, such as families, community and political leaders, LEAs, SEAs, charter school authorizers, charter school support organizations, charter school leaders, and potential charter school developers. Considering the needs of those stakeholders and getting their buy-in for the grant project from the start can greatly support a successful project. We recommend that applicants consider the SE competition priorities alongside the needs of their state so that they can better develop a strong proposal.

We will now discuss compatible state context. Building on the points discussed in previous sections, your charter school climate is another key consideration in determining how you propose the pipeline for your CSP SE grant. Reflecting with those key stakeholders on the current charter school climate in the state as well as where things are heading over the next few years is critical to having the best available information to make a sound proposal for your grant project. If, for example, a moratorium on charter schools came after the grant was awarded, the department can't simply allow the SE to change its pipeline because we must preserve the integrity of the peer review process as discussed previously. As you consider your organization's readiness for the SE grant, it is also important to fully consider the charter school climate in your state and use this understanding to craft a realistic grant proposal.

The overarching question throughout today's webinar is whether your state entity organization is ready. As you consider everything we have discussed today, we leave you with a few additional questions to consider. How might facilities and/or school staffing considerations impact an SE grant project? Are there population or demographic shifts in the state that may signal changes in the charter school sector in the next few years? How does the state's charter school context impact the SE developing ambitious yet achievable goals for the grant project? Our hope is that reflecting on these key considerations and determining whether to pursue a CSP SE grant is a good fit for your organization at this time. You will be able to determine whether your organization has the necessary capacity and infrastructure to apply for the SE grant, and two, critical first steps to writing a strong proposal that fully considers the needs of your state, context, and stakeholders.

Just please keep in mind these key reminders. You must register at SAM.gov to obtain a Unique Entity Identifier to apply for the grant through Grants.gov and the deadline to submit an application to Grants.gov is on June 13, 2024. Thank you for attending today's webinar. Please reach out with follow-up questions to the CSP team at our competition email, SE\_competition@ed.gov, and have a great rest of your day.