

DEPARTMENT OF EDUCATION**[CFDA Nos.: 84.282A, 84.282B, and 84.282C]****Office of Innovation and Improvement—Public Charter Schools Program (PCSP); Notice Inviting Applications for New Awards for Fiscal Year (FY) 2003**

Purpose of Program: The purpose of the PCSP is to increase national understanding of the charter school model and to expand the number of high-quality charter schools available to students across the Nation by providing financial assistance for the planning, program design, and initial implementation of charter schools and evaluating the effects of charter schools, including the effects on students, student academic achievement, staff, and parents.

Eligible Applicants: (a) State educational agencies (SEAs) in States with a specific State statute authorizing the establishment of charter schools may apply for funding. The Secretary awards grants to SEAs to enable them to conduct charter school programs in their States. SEAs use their PCSP funds to award subgrants to “eligible applicants,” as defined in this notice, for planning, program design, and initial implementation of a charter school; and to support the dissemination of information about, including successful practices in, charter schools. A charter school may apply to an SEA for funds to carry out dissemination activities, whether or not the charter school has applied for or received funds under the PCSP for planning or implementation, if the charter school has been in operation for at least three consecutive years and has demonstrated overall success, including—

(1) Substantial progress in improving student achievement;

(2) High levels of parent satisfaction; and

(3) The management and leadership necessary to overcome initial start-up problems and establish a thriving, financially viable charter school.

(b) Non-SEA eligible applicants may apply for funding directly from the U.S. Department of Education (Department) if the SEA in the State elects not to participate in the PCSP or does not have an application approved under the program. An “eligible applicant” is defined as a developer that has applied to an authorized public chartering authority to operate a charter school and has provided to that authority adequate and timely notice, and a copy, of its PCSP application, except that the Secretary or the SEA may waive these requirements in the case of a pre-charter

planning grant. If an SEA’s application is approved in this competition, applications received from non-SEA eligible applicants in that State will be returned to the applicants. In such a case, the non-SEA eligible applicant should contact the SEA for information related to the State’s subgrant competition.

Note: The following States currently have approved applications under this program: Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Louisiana, Massachusetts, Michigan, Minnesota, Missouri, Nevada, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Rhode Island, Tennessee, Texas, Utah and Wisconsin. In these States, only the SEA is eligible to receive an award under this competition. Eligible applicants in these States should contact their respective SEAs for information about participation in the State’s charter school subgrant program. Non-SEA eligible applicants in States that are not listed must apply directly to the Department on or before the deadline for transmittal of applications in order to be considered for funding in this competition.

Applications Available: March 14, 2003.

Deadline for Transmittal of Applications: April 28, 2003.

Deadline for Intergovernmental Review: June 27, 2003.

Estimated Available Funds: \$24,750,000.

Estimated Range of Awards: State educational agencies: \$500,000–\$8,000,000 per year. Other eligible applicants: \$10,000–\$150,000 per year.

Estimated Average Size of Awards: State educational agencies: \$3,000,000 per year. Other eligible applicants: \$150,000 per year.

Estimated Number of Awards: State educational agencies: 4–6. Other eligible applicants: 50–75.

Note: The Department is not bound by any estimates in this notice.

Project Period: Up to 36 months.

Note: Planning and implementation grants or subgrants awarded by the Secretary or an SEA directly to non-SEA eligible applicants will be awarded for a period of up to 36 months, no more than 18 months of which may be used for planning and program design; and no more than two years of which may be used for the initial implementation of a charter school. Dissemination grants are awarded for a period of up to two years.

Applicable Regulations and Statute:

(a) The Education Department General Administrative Regulations (EDGAR) in 34 CFR parts 75 (except § 75.210), 76, 77, 79, 80, 81, 82, 85, 86, 97, and 99; and (b) Title V, Part B, Subpart 1 (formerly Title X, Part C) of the Elementary and Secondary Education

Act of 1965 (ESEA), as amended by the No Child Left Behind Act of 2001 (NCLB), 20 U.S.C. 7221–7221j.

SUPPLEMENTARY INFORMATION: As part of wider education reform efforts to improve student achievement, the development of charter schools is an innovative approach to improving public education and expanding parental options in education. While charter school laws vary by State, public charter schools are granted greater flexibility in exchange for accountability for results. They are also public schools of choice in that all students, parents, and faculty associate with charter schools voluntarily. They are intended to stimulate the creativity and commitment of teachers, parents, students, and citizens to improve student academic achievement.

Congress reauthorized the PCSP in January 2002, in amendments to the ESEA that were included in NCLB. Under the new legislation, a non-SEA eligible applicant for PCSP funds must submit an application for a charter to an authorized public chartering authority and provide adequate and timely notice, and a copy, of its PCSP application to that agency. The SEA or the Secretary, as appropriate, may waive these requirements in cases where the eligible applicant is applying for a pre-charter planning grant or subgrant.

The new legislation also added a specific provision prohibiting local educational agencies (LEAs) from deducting funds for administrative fees or expenses from a subgrant awarded to an eligible applicant, unless the eligible applicant voluntarily enters into a mutually agreed upon arrangement for administrative services with the LEA.

When developing their proposals, applicants should be aware of Department regulations governing conflicts of interest. PCSP grantees must avoid apparent and actual conflicts of interest when administering grants and entering into contracts for equipment or services. Among other things, Federal grant recipients must develop written procurement procedures and conduct all procurement transactions in a manner that provides open and free competition. Department regulations also prohibit a person from participating in an administrative decision regarding a project if (a) the decision is likely to benefit that person or his or her immediate family member; and (b) the person has a family or business relationship with the grantee. The Department’s conflict of interest regulations can be found generally at 34 CFR 74.40–74.48 and 75.524–75.525. Additional information about the PCSP,