# Public Charter Schools Grant Program Request for Applications 2024–25 Funding Competition Start-Up Subgrant

For the Planning, Implementation, Replication, and Expansion of Charter Schools

*California Department of Education*



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## Request for Applications Timeline

Please note the following dates for the fiscal year (FY) 2024-25 Round 1 Public Charter Schools Grant Program (PCSGP) Start-Up Subgrant Request for Applications (RFA)*,* for the planning, implementation, replication, and expansion of charter schools. The maximum term of the subgrant will be **36 months, from** **September 1, 2025 to August 31, 2028.**

Start-Up RFA Timeline Events and Dates

| **Important Events** | **Dates** |
| --- | --- |
| **Technical Assistance Webinar:** Overview of RFA and Subgrant Budget Training | May 1, 2025, from 10:00−11:30 a.m. |
| **Intent to Apply Form** | Recommended prior to May 16, 2025 |
| **PCSGP application due date**  ***Notes:*** *Applicants must have an approved charter petition by the Start-Up Subgrant application due date.* | **June 24, 2025** |
| **PCSGP application period** | April 24 – June 24, 2025  (Date of RFA posting – Application Due Date) |
| Eligibility Screening and Peer Reviewer evaluation and scoring of all eligible applications | June 25 – July 31, 2025 |
| PCSGP Office notifies applicants of application status | August 1, 2025 |
| Grant Award Notification (GAN) will be processed after approval of Budget. Subgrantees must sign and return the GAN. | Approximately 4–6 weeks after approval of the Budget |
| Subgrant award starting date | September 1, 2025 |
| Reimbursement Payment Request Process  (approximately 6–8 weeks) | Begins upon CDE receipt of signed GAN and submission and approval of the first expenditure report. |

## General Information

### Purpose and Background

The PCSGP is a subgrant program funded by the federal Charter Schools Program (CSP), authorized under [Title IV, Part C of the Elementary and Secondary Education Act (ESEA) of 1965, as amended by the Every Student Succeeds Act (ESSA) (20 United States Code [U.S.C.] 7221–7221j (External Link)](https://www.ed.gov/sites/ed/files/2019/11/Statute-for-website.pdf). **The PCSGP is a discretionary grant program. California was awarded approximately $93 million in grant funds for 2024–29.** States that are awarded these federal funds distribute them in subgrants to charter school developers, known as PCSGP Start-Up Subgrants in the state of California, to assist in the development and initial operations of newly established or conversion charter schools as well as to assist in the expansion and replication of high-quality charter schools.

Hereafter, the term CDE refers to the California Department of Education (CDE) operating under the policy direction of the State Board of Education (SBE). The CDE will award PCSGP subgrants through at least one competition each year through FY 2028–29, pending any additional no-cost extensions from the U.S. Department of Education (ED).

PCSGP Start-Up Subgrants identify funding levels and terms into four subgrant types: Planning, Implementation, Replication, and Expansion. For FY 2024, the CDE has an approved pipeline and budget to award approximately 9 subgrants. The actual number and type of subgrants awarded during each RFA competition may vary based on demand. If all authorized awards are not approved for funding, the CDE may open additional RFA competition events for new applicants until all of the allocated funds have been awarded.

### 2. General Application Information

#### 2.1 General Applicant Eligibility

The charter school applicant must meet the following elements at the time of application and throughout the PCSGP subgrant term:

1. Meet the federal definition of a charter school, as defined by ESEA 4310(2). In order to qualify for funds under the CSP, a charter school must meet the federal definition of a charter school*:*

(a) In accordance with a specific Statestatute authorizing the granting of charters to schools, is exempt from significant Stateor local rules that inhibit the flexible operation and management of public schools, but not from any rules relating to the other requirements of this paragraph;

(b) Is created by a developeras a public school, or is adapted by a developerfrom an existing public school, and is operated under public supervision and direction;

(c) Operates in pursuit of a specific set of educational objectives determined by the school’s developerand agreed to by the authorized public chartering agency*;*

(d) Provides a program of elementary or secondary education, or both;

(e) Is nonsectarian in its programs, admissions policies, employment practices, and all other operations, and is not affiliated with a sectarian school or religious institution;

(f) Does not charge tuition;

(g) Complies with the Age Discrimination Act of 1975, Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 *et seq.*), Section 444 of the General Education Provisions Act (GEPA) (20 U.S.C. 1232g; commonly referred to as the ‘‘Family Educational Rights and Privacy Act of 1974’’), and part B of the Individuals with Disabilities Act (IDEA);

(h) Is a school to which parents choose to send their children, and that—

(1) Admits students on the basis of a lottery, consistent with ESEA   
Section 4303(c)(3)(A) if more students apply for admission than can be accommodated; or

(2) In the case of a school that has an affiliated charter school(such as a school that is part of the same network of schools), automatically enrolls students who are enrolled in the immediate prior grade level of the affiliated charter schooland, for any additional student openings or student openings created through regular attrition in student enrollment in the affiliated charter schooland the enrolling school, admits students on the basis of a lottery as described in clause (i);

(i) Agrees to comply with the same Federal and Stateaudit requirements as do other elementary schools and secondary schools in the State*,* unless such State audit requirements are waived by the State*;*

(j) Meets all applicable Federal, State*,* and local health and safety requirements;

(k) Operates in accordance with State law;

(l) Has a written performance contract with the authorized public chartering agencyin the Statethat includes a description of how student performance will be measured in charter schools pursuant to State assessments that are required of other schools and pursuant to any other assessments mutually agreeable to the authorized public chartering agency and the charter school;and

(m) May serve students in early childhood education programsor postsecondary students (ESEA Section 4310[2]).

1. Meet the federal definition of a charter developer (as defined by ESEA Section 4310(5), see Appendix A: Definitions of PCSGP Terms)
2. Must have an approved charter petition from an authorized public chartering authority by the due date of the RFA. If the charter petition is pending approval, the PCSGP Start-Up Subgrant application will be deemed ineligible and will not be moved forward for peer review scoring. If the charter school has an approved charter petition but does not yet have an assigned SBE Charter School Number, the applicant must include its charter petition in full and evidence it was approved an open public meeting by approval by an authorizing school district or county board of education. (See Attachment J Instructions).
3. All applicants must submit proof the school notified the authorizer of their intent to apply for PCSGP Start-Up Subgrant funds.
4. Meet all requirements for charter school autonomy (see 2.1.1 Charter School Autonomy).
5. An applicant must be a nonprofit entity in both good standing and good status as reported by the California Secretary of State (SOS). Nonprofit status and standing will be verified with the California SOS at the time of application submission. Individuals and for-profit entities will be deemed ineligible.
6. Provide evidence of the individual charter school applicant’s Unique Entity Identifier (UEI) active registration with System for Award Management (SAM). Additional information regarding SAM registration can be found at [System of Award Management (External Link)](https://www.sam.gov/).
7. Applicants must not be currently awarded a federal CSP grant from the ED, including charter management organization (CMO) or Developer grants, for the same charter schools and same activities included in their PCSGP application. If a charter school is awarded a PCSGP Start-Up Subgrant from California and their CMO or non-profit entity is currently or subsequently awarded any CSP grant from the ED for duplicative activities, during the active subgrant award term from California, payments dispersed to date may be billed back to California and the PCSGP Start-Up Subgrant may be terminated.
8. Applicants must additionally meet eligibility requirements based on the subgrant for which they are applying:
   1. Planning: The applicant school must be a newly established or conversion charter school that is not currently serving students, but intends to begin serving students within 18 months of the application due date;
   2. Implementation and Replication: The applicant school must be a newly established or conversion charter school, that did not begin serving students prior to July 1, 2023 (see Appendix A: Definitions of PCSGP Terms for the definition of a “Newly Established Charter School”).
   3. Replication and Expansion applicants must meet, and continue to meet throughout the term of the subgrant, additional requirements outlined in 2.2 Expansion and Replication Subgrant Eligibility, including the definition of a high-quality charter school (as defined by ESEA Section 4310(8).
   4. Expansion: Continuing charter schools are only eligible for expansion subgrant funding (see Appendix A: Definitions of PCSGP Terms for the definition of a “Newly Established Charter School”).

##### 2.1.1 Charter School Autonomy

Charter school autonomy is a requirement for PCSGP Start-Up Subgrant funding; therefore, **all** of the following conditions must be met:

The charter school must be highly autonomous. Each charter school receiving funds through the State entity’s program must have a high degree of autonomy over budget and operations, including autonomy over personnel decisions (ESEA Section 4303[f][2][A]). Successful applicants must demonstrate a high degree of autonomy in the application narrative.

* Reviewers use specific criteria to assess each charter school’s degree of autonomy. These criteria include, but are not limited to, the following:

1. Governance structure (i.e., governing board or entity as described in the school’s approved charter):
2. Is elected or appointed independently of the chartering authority.
3. Includes less than a majority of the current employees or appointees of the chartering authority.
4. Operates as and/or is operated by a nonprofit public benefit corporation.
5. Operations: The charter school governing board or entity as described in the school’s approved charter maintains control over a majority of its operations (i.e., professional development, school year calendar, disciplinary policies and procedures, curriculum, graduation requirements, etc.).
6. Staffing:
   1. Teachers and staff are employees of the charter school.
   2. The charter school retains a majority of decision-making authority over all hiring, dismissal, work rules, employee assignment, and other personnel decisions and actions.
   3. The charter school governing board or entity as described in the school’s approved charter has adopted its own employment policies and procedures.
7. Financial Decisions: The charter school governing board or entity as described in the school’s approved charter exhibits control over the development and adoption of the charter school’s budget, the receipt and expenditure of funds, business management (“back-office”) services, audit services, purchasing and contracting decisions, and other financial matters in general.

##### 2.1.2 Public Random Drawing and Lottery

The applicant's approved charter must comply with applicable federal and state public random drawing (lottery) requirements including ESEA Section 4303(c)(3)(A)(i,ii) and 4310(H)(i,ii), CSP Nonregulatory Guidance (January 2014), and EC sections 47605(e)(2)(A-B) or 47605.6(a)(2)(A-B). Admission preferences shall not create an attendance barrier for students seeking enrollment at the charter school.

PCSGP subgrantees must meet all requirements of the federal definition of a “charter school” including ESEA Section 4310(2) that the charter school is a school to which parents choose to send their children, and that—

(i) Admits students on the basis of a lottery, consistent with section 4303(c)(3)(A) of the ESEA, if more students apply for admission than can be accommodated; or (ii) In the case of a school that has an affiliated charter school (such as a school that is part of the same network of schools), automatically enrolls students who are enrolled in the immediate prior grade level of the affiliated charter school and, for any additional student openings or student openings created through regular attrition in student enrollment in the affiliated charter school and the enrolling school, admits students on the basis of a lottery as described in paragraph (i).

PCSGP applicants may implement the following lottery preferences which are allowable under CSP statute, guidance, or additionally approved by the ED:

Table 2.1.2 Allowable Lottery Preferences

| **Source** | **Allowable Lottery Preferences** |
| --- | --- |
| CSP Nonregulatory Guidance (January 2014) | 1. Students who are enrolled in a public school at the time it is converted into a public charter school; 2. Students who are eligible to attend, and are living in the attendance area of, a public school at the time it is converted into a public charter school; 3. Siblings of students already admitted to or attending the same charter school; 4. Children of a charter school's founders, teachers, and staff (so long as the total number of students allowed under this exemption constitutes only a small percentage of the school's total enrollment); or 5. Children of employees in a work-site charter school, (so long as the total number of students allowed under this exemption constitutes only a small percentage of the school's total enrollment). |
| ESEA Section 4310(2)(H)(ii) | 1. Students who are enrolled in the immediate prior grade level of the affiliated charter school (such as a school that is part of the same charter school network). |
| Additional ED Approved Lottery Preferences | 1. Locally and State Board of Education authorized charter schools must comply with *EC* Section 47605(e)(2)(B) which states that “preference shall be extended to pupils currently attending the charter school and pupils who reside in the school district.” 2. Charter schools authorized as a countywide benefit charter must comply with *EC* 47605.6(e)(2)(B) which states that “preference shall be extended to pupils currently attending the charter school and pupils who reside in the county.” 3. Lottery preferences consistent with eligibility requirements for the California Charter School Facility Grant Program under *EC* Section 47614.5(c)(2)(A) “to pupils who are currently enrolled in that public elementary school and to pupils who reside in the elementary school attendance area where the charter schoolsite is located” 4. Lottery preferences that favor one or more categories of educationally disadvantaged students (See Appendix A: Definitions of PCSGP Terms) as allowable under state law. |

Pursuant to *EC* Sections 47605(e)(2)(B) and 47605.6(e)(2)B):

1. Each type of preference shall be approved by the chartering authority at a public hearing.
2. Preferences shall be consistent with federal law, the California Constitution, and Section 200.
3. Preferences shall not result in limiting enrollment access for pupils with disabilities, academically low-achieving pupils, English learners, neglected or delinquent pupils, homeless pupils, or pupils who are economically disadvantaged, as determined by eligibility for any free or reduced-price meal program, foster youth, or pupils based on nationality, race, ethnicity, or sexual orientation.
4. In accordance with *EC* Section 49011, preferences shall not require mandatory parental volunteer as a criterion for admission or continued enrollment.

Per CSP Nonregulatory Guidance (January 2014), “Weighted lotteries (i.e., lotteries that give additional weight to individual students who are identified as part of a specified set of students, but do not reserve or set aside seats for individual students or sets of students) are permitted only in certain circumstances.” Under this RFA, PCSGP subgrantees may not implement weighted lottery categories without prior approval by the ED.

Applicants must comply with *EC* Section 49700, which provides for the timely enrollment of children of military families and ensuring that they are not placed at a disadvantage due to difficulty in the transfer of educational records or various entrance/age requirements.

##### 2.1.3 Charter Management Organizations and Educational Service Providers

PCSGP subgrants awarded are made to charter public schools, not any other entity. Regardless of the charter public school’s relationship with a management organization, the charter public school and board retain responsibility for all aspects of the subgrant including, but not limited to application submission, budget decisions, and repayment of any misspent funds. Items purchased by the school with CSP funds are and remain the property of the school, not the management organization. Subgrant applications and budgets may not include any management fees that the school incurs as part of the management contract but may pay for allowable activities carried out by the school or the management organization. If applicable, the full contract or agreement with the charter management organization (CMO) or educational management organization (EMO) must be included with this application to ensure that the school maintains fiscal and operational autonomy.

Pursuant to *EC* Section 47604, a charter school shall not operate as, or be operated by, a for-profit corporation, a for-profit EMO, or a for-profit CMO. Operate as, or be operated by, means services provided by a for-profit corporation to a charter school that include:

1. Nominating, appointing, or removing board members or officers of the charter school.
2. Employing, supervising, or dismissing employees of the charter school, including certificated and noncertificated school personnel.
3. Managing the charter school’s day-to-day operations as its administrative manager.
4. Approving, denying, or managing the budget or any expenditures of the charter school that are not authorized by the governing body of the charter school.
5. Providing services to a charter school before the governing body of the charter school has approved the contract for those services at a publicly noticed meeting.

Any applicant which does not meet the requirements above will not be eligible for funding.

As a general matter, subgrantees must avoid apparent and actual conflicts of interest when administering subgrants. For additional information on conflicts of interest, please see Section G of the federal CSP Nonregulatory Guidance.

Schools choosing to engage a nonprofit educational service provider (ESP) or EMO or CMO must demonstrate that they and their governing boards are independent of the provider, and that all fees and agreements are fair and reasonable. The ESP, EMO or CMO does not qualify as an eligible applicant nor may it hold or manage a subgrant awarded to a school. Schools must exercise special care to ensure that a direct representative of the applicant school, independent of the ESP, EMO or CMO, is identified to administer the subgrant, as required per 34 CFR 74.40-48, 75.524-525, and 80.36 (procurements) and articulated in the federal CSP January 2014 Nonregulatory Guidance (see links “Regulations and Guidance” section below). Contracts between schools and CMOs, EMOs, and ESPs will be subject to review as part of the application and eligibility processes per ESEA Section 4303 (f)(1)(C)( i)(I).

##### 2.1.4 Quality Controls

Each applicant will provide in Form 2, a description of the quality controls agreed to between the eligible applicant and the authorized public chartering agency involved, such as a contract or performance agreement, how a school's performance in the State's accountability system and impact on student achievement (which may include student academic growth) will be one of the most important factors for renewal or revocation of the school's charter, and how the SE and the authorized public chartering agency involved will reserve the right to revoke or not renew a school's charter based on financial, structural, or operational factors involving the management of the school.

##### 2.1.5 Intent to Apply Form

All applicants should complete the Intent to Apply Form, including self-evaluation eligibility checklist, prior to filling in other forms within the application packet. The eligibility checklist is designed to help schools determine if they may be eligible for PCSGP funding. All information provided in the Intent to Apply Form may be verified by CDE staff prior to moving the application forward to the peer review scoring process. The intent to apply form is available on the RFA web page for each funding competition.

#### 2.2 Expansion and Replication Subgrant Eligibility

Charter school management organizations (CMOs) and charter schools under, or part of, a nonprofit organization which operates more than one charter school, under the same governing board, are not eligible for Planning or Implementation subgrants, but may be eligible for a Replication or Expansion subgrant.

##### 2.2.1 Expansion Applicants

Under ESSA Section 4310(7), the term expand means to, “significantly increase enrollment or add one or more grades to a high-quality charter school.” Charter schools may be eligible for an Expansion subgrant if they meet ALL of the following criteria:

* The charter school is significantly increasing enrollment (more than 25 percent of its current or prior year certified enrollment) OR adding one or more grade levels to be served within the current fiscal year or succeeding fiscal year;
* The charter school will be funding new or substantially different activities not previously supported by a PCSGP Planning and Implementation subgrant;
* The charter school is not currently receiving another CSP grant that is intended for the same project;
* The charter school has not received another CSP grant in the past five years, unless the charter school has at least three years of improved educational results for students enrolled in the charter school (see ESEA Section 4303[e][2]); and
* The charter school meets the 2.2.3 Definition of a High-Quality Charter School.

The Kindergarten Readiness Act of 2010 created transitional kindergarten (TK), the first year of a two-year kindergarten experience. The addition of TK at a school currently providing kindergarten is not considered the addition of a new grade level.

##### 2.2.2 Replication Applicants

Under ESEA Section 4310(9), the term replicate when used with respect to a high-quality charter school, means, “to open a new charter school or a new campus of a high-quality charter school, based on the educational model of an existing high-quality charter school, under an existing charter or an additional charter, if permitted or required by state law.”

For the purposes of the 2023–24 PCSGP Start-Up Subgrant RFA, all charter school operators whose governing boards are responsible for more than one charter school may be eligible for a Replication subgrant. Multiple school governing boards are NOT eligible for Planning and Implementation subgrant funding. Charter schools may be eligible to apply for a Replication subgrant if they meet ALL of the following criteria:

* The charter school operator is not currently receiving another CSP grant that is intended for the same project;
* The charter school has not received another CSP grant in the past five years, unless the charter school has at least three years of improved educational results for students enrolled in the charter school (see ESEA   
  Section 4303[e][2]); and
* The charter school meets the 2.2.3 Definition of a High-Quality Charter School.

**2.2.3 Definition of a High-Quality Charter School**

For the purposes of the PCSGP, a high-quality charter school, as defined by ESEA Section 4310(8), as amended by the ESSA, means a charter school that:

1. Shows evidence of strong academic results, which may include strong student academic growth, as determined by the State;
2. Has no significant issues in the areas of student safety, financial and operational management, or statutory or regulatory compliance
3. has demonstrated success in significantly increasing student academic achievement, including graduation rates where applicable, for all students served by the charter school; and
4. Has demonstrated success in increasing student academic achievement, including graduation rates where applicable, for each of the subgroups of students, as defined in ESEA Section 1111(b)(2), except that such demonstration is not required in a case in which the number of students in a group is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student.

Each Replication or Expansion applicant must describe how they have met the following high-quality criteria and provide any applicable supporting documentation. Federal grant funds can be used for the operation of new charter schools and to replicate and expand existing high-quality charter schools as defined in 20 U.S.C. Section 7221i(8)(A) through (D). For the purposes of this application, the CDE defines “high-quality” criteria, which aligns with federal CSP requirements, as follows:

20 U.S.C. Section 7221i(8)(A)

* For existing charter schools applying for subgrants to replicate or expand, the CDE has defined “strong academic results” as those schools that:
  + Meet the “high performing” track for renewal based on *EC* Section 47607 criteria, as adopted by the Legislature in Assembly Bill 1505, or
  + Meet the “middle performing” track for renewal based on *EC* Section 47607.2 criteria and:
    - Meet or exceed the district in which the charter school is physically located on academic performance indicators for English language arts and math.

20 U.S.C. Section 7221i(8)(B)

* The charter school has no significant issues in the areas of student safety, financial and operational management, or statutory or regulatory compliance.

20 U.S.C. Section 7221i(8)(C-D)

* Evidence of increasing academic achievement for all students and each subgroup of students served by the charter school based on the charter school’s Local Control and Accountability Plan (LCAP), and
* Evidence of increasing graduation rates, if applicable, for all students and each subgroup of students served by the charter school.

All applicants for Replication and Expansion subgrants must meet the high-quality criteria in order to be awarded funds. All charter management organizations or non-profit organizations with authority over more than one charter school are only eligible to apply for Replication or Expansion subgrants and must meet the high-quality criteria for the charter school being replicated or expanded.

NOTE: The Form 3a – High-Quality Charter School Response is required for all Replication and Expansion applicants, including those associated with Charter Management Organizations (see Appendix A: Definitions of PCSGP Terms). For Expansion applicants, a Form 3a – High-Quality Charter School Response must be provided for the applicant school which is being expanded. For Replication applicants, a Form 3a – High-Quality Charter School Response must be provided for one school which the applicant school is seeking to replicate.

#### 2.3 Technical Assistance

The CDE will deliver a technical assistance webinar during the PCSGP application period, for all interested parties (see Start-Up RFA Timeline Events and Dates). The webinar will provide information regarding completion of the RFA, completing the Budget Detail and Budget Narrative forms, and provide applicants an opportunity to ask questions of CDE staff. Specific dates and times will be provided to all applicants. After charter schools are awarded subgrants, the CDE will provide additional Technical Assistance on reporting and monitoring requirements.

### 3. Funding Priority and Funding Levels

#### 3.1 Length of Subgrant Award and Maximum Funding Level

There are four PCSGP Start-Up Subgrants offered through this RFA: Planning, Implementation, Replication, and Expansion. **The maximum PCSGP subgrant award is $1,900,000, for a 36-month period of time.**

The total award for each subgrant will be allocated over the maximum term of 36 months. No PCSGP subgrant term can go beyond California’s current CSP grant period end date.

##### 3.1.1 Planning Subgrant Term

Planning subgrants end on the day prior to the first day of instruction (including summer school programs for which the charter school is reporting Average Daily Attendance for Local Control Funding Formula revenue) and cannot exceed a total term of 18 months. Once the planning subgrantee charter school begins serving students, has met all reporting requirements, and has completed the planning subgrant Project Goals, they are eligible to apply for additional implementation funding. Implementation funding will be determined based on the subgrantee’s successful completion of Planning period activities (see Section 4.3.1 Planning Phase Monitoring) and additional time and funding will be added to the existing subgrant. If a subgrantee receives both levels of funding (Planning and Implementation), the full term of the subgrant cannot exceed 36 months. For example, if the planning phase totals 18 months in duration, then the implementation phase can only be an additional 18 months, as to not exceed 36 months total.

##### 3.1.2 Implementation, Replication, and Expansion Subgrant Term

Implementation, Replication, and Expansion subgrants are awarded for up to 36 months. Implementation subgrants that are awarded as additional funding to Planning subgrantees cannot exceed a combined time frame of 36 months.

Interruptions in the subgrant period may warrant full or partial termination of the subgrant award. For example, if a school is unable to open due to the inability to secure facilities by the close of its planning phase, the subgrant for the school may be terminated and the school may be invoiced for the total amount of funding received.

#### 3.2 Base Subgrant Funding Levels

The base funding levels for each of the four subgrant types vary. Table 3.2 below shows the funding levels for Planning, Implementation, Replication, and Expansion subgrants (see eligibility requirements for each subgrant in Section 2 General Application Information).

Table 3.2 PCSGP Start-Up Subgrant Base Award Funding Levels

| **Subgrant Type** | **Planning Only (See note below)** | **Implementation Add-On Funding for Planning Subgrants** | **Implementation or Replication Only** | **Expansion** |
| --- | --- | --- | --- | --- |
| **Funding Levels** | Up to $300,000 for up to 18 months | Year 1 up to $300,000  Year 2 up to $200,000  Planning plus Implementation terms cannot exceed 36 months. | Year 1 up to $300,000  Year 2 up to $300,000  Year 3 up to $200,000  Implementation or Replication term cannot exceed 36 months. | Year 1 up to $200,000  Year 2 up to $200,000  Year 3 up to $100,000  Expansion term cannot exceed 36 months. |
| **Total Base Funding** | Up to $300,000 | Up to $500,000 | Up to $800,000 | Up to $500,000 |

**For Planning Subgrants:** A charter school serving students on or prior to the day of the PCSGP subgrant award start date is not eligible for planning subgrant funds. The planning phase ends on the day before the school starts serving students.

#### 3.3 Supplemental Funding Levels

The approved 2024 CSP award expands supplemental funding based on the applicant meeting specified criteria which may impact the charter school’s start-up funding needs. Supplemental funding has been structured to:

* Encourage the use of different and innovative teaching methods pursuant to state law.
* Provide parents/guardians and students with expanded choices in the types of educational opportunities that are available within the public school system pursuant to state law.
* Provide additional support for targeted student groups and high-cost programs.

Supplemental Funding amounts would be awarded to charter school applicants as follows:

Table 3.3 Supplemental Funding Levels

| **Criteria** | **Implementation and Replication Awards** | **Expansion Awards** |
| --- | --- | --- |
| Students with Disabilities | Up to $200,000 | Up to $100,000 |
| English Learners | Up to $200,000 | Up to $100,000 |
| Socioeconomically Disadvantaged | Up to $200,000 | Up to $100,000 |
| Career Technical Education (CTE) | Up to $200,000\* | Up to $100,000 |
| Innovation & Sharing Best Practices | Up to $100,000\* | Up to $50,000 |
| High School | Up to $100,000 | Up to $50,000 |
| Enrollment | Up to $100,000 | Up to $50,000 |
| **Maximum Supplemental Funds** | **$1,100,000** | **$550,000** |

\*Schools in the Planning Phase, prior to opening, may only apply for CTE and Innovation and Sharing Best Practices Supplemental Funding categories at the time of application.

Supplemental Funding criteria will be evaluated based on the charter school’s data at the time of application and verified throughout the subgrant term. Supplemental Funding allocations may be reduced or removed based on consideration of the following factors:

* Review of the charter school’s supplemental funding eligibility as outlined in the RFA;
* Review of the charter school’s compliance with continuing general eligibility, program accountability, reporting, and monitoring criteria as outlined in the RFA; and
* Availability of funds.

Table 3.3 Supplemental Funding Criteria and Evidence provides a description of funding criteria and a non-exhaustive list of evidence which may be collected to demonstrate eligibility.

Table 3.3 Supplemental Funding Criteria and Evidence

| **Supplemental Funding Criteria** | **During the Term of the Subgrant** | **Evidence** |
| --- | --- | --- |
| 1. Students with Disabilities | The charter school meets or exceeds the district in which the charter school is physically located or the state on the percentage of enrollment and academic performance of students with disabilities. | Enrollment Data Sources: California School Dashboard, California Longitudinal Pupil Achievement Data System (CALPADS) report  Academic Performance Data Sources: Smarter Balanced Summative Assessments, California Alternate Assessments |
| 2. English Learners | The charter school meets or exceeds the district in which the charter school is physically located or the state on the percentage of enrollment and academic performance of English Learner students. | Enrollment Data Sources: California School Dashboard, CALPADS report  Academic Performance Data Sources: Smarter Balanced Summative Assessments for ELA and Math Mathematics, English Language Proficiency Assessments for California (ELPAC), English Learner Progress Indicator (ELPI) |
| 3. Socioeconomically Disadvantaged | The charter school meets or exceeds the district in which the school is physically located or the state on the percentage of enrollment and academic performance of socioeconomically disadvantaged students. | Enrollment Data Sources: California School Dashboard, CALPADS report  Academic Performance Data Source: Smarter Balanced Summative Assessments |
| 4. Career Technical Education (CTE) | The charter school offers a sequence of two to three courses that align to a pathway within one of the fifteen industry sectors in California. Fifty-one percent or more of the standards being taught in the courses align with the California CTE Model Curriculum Standard. | Course Sequence, Student Information System Reports |
| 5. Innovation and Sharing Best Practices | The charter school provides evidence of a multi-year collaboration agreement with a California school district, county office of education, special education local plan area, community college, and/or public institute of higher education for the purpose of improving academic performance of students in an innovative way and sharing its best practices. | Multi-year collaboration agreement, contract, or MOU |
| 6. High School | The charter school serves more than 100 students in grades nine through twelve. | CALPADS report, CDE DataQuest enrollment by grade report |
| 7. Enrollment | The charter school serves more than 100 students in its first year of operation or, for expansion applicants, the planned expansion is for 100 or more students. | CALPADS report, CDE DataQuest enrollment by grade report |

For countywide charter schools, supplemental funding criteria 1-3 will be considered based on comparison data provided for each/all of the districts within the county or the district where the majority of students attending the charter school reside.

Any applicant requesting supplemental funding for Innovation and Sharing Best Practices must provide a description of the collaboration that:

(i) Describes each member of the collaboration and whether the collaboration would be a new or existing commitment;

(ii) States the purpose and duration of the collaboration;

(iii) Describes the anticipated roles and responsibilities of each member of the collaboration;

(iv) Describes how the collaboration will benefit one or more members of the collaboration, including how it will benefit students or families affiliated with a member and lead to increased or improved educational opportunities for students, and meet specific and measurable, if applicable, goals;

(vi) Describes the resources members of the collaboration will contribute; and

(vii) Contains any other relevant information.

#### 3.4 Funding Priority

Additional preference points will be awarded to eligible applicants who demonstrate the following:

1. The applicant school site will be located in a district with fewer than five charter schools or county with fewer than ten charter schools (One point).

These preferences are in alignment with California’s approved 2024 CSP award priority preferences. A funding priority based on the overall peer review score plus preference points will be applied if insufficient funds are available to fund all applications that receive a qualifying score. There may not be sufficient funding to serve all eligible applicants. Therefore, this application process is highly competitive.

CDE staff will complete an eligibility screening for all applications, which may include a review of the approved charter petition, level of autonomy, and the lottery preferences. Applications deemed eligible will be scored through the peer review process (See PCSGP Start-Up Subgrant Scoring Rubric). The CDE will only consider awarding funds to those applications that submit a comprehensive and viable application likely to improve student academic achievement, therefore an application that fails peer review will not be considered for funding. **Preference points will not be added to any application that has failed peer review.**

Additional information on scoring criteria is provided in Section 8 Application Review and Scoring Process.

### 4. Program Accountability and Monitoring

The CDE is responsible for monitoring PCSGP subgrant implementation in accordance with the following program accountability requirements. The CDE must ensure each subgrantee receiving PCSGP funding through this RFA:

* Continuously meets the eligibility requirements for the subgrant described herein, and the applicant has provided all required assurances that it will comply with all program implementation and reporting requirements established through this RFA.
* Appropriately uses these funds as described in their approved application and approved PCSGP Budget.
* Implements activities funded through this application within the timeline in which the funds provided are to be used.

To fulfill its monitoring responsibilities, the CDE requires funded applicants to submit appropriate fiscal and program documentation. In addition, representatives of the state may conduct formal and informal site visits to a selected representative sample of funded applicants. Additionally, the CDE may also conduct unannounced site visits. The purpose of visits is to validate information submitted by applicants, and gather additional information from interviews and observations for monitoring and evaluation purposes.

#### 4.1 Program Accountability

Each identified subgrantee is responsible for carrying out its responsibilities in accordance with all applicable federal legislation, regulations, and guidance (see Appendix B: Procurement; Appendix C: Equipment and Supply Standards; Appendix D: Fiscal Management Standards; Appendix E: Federal CSP Resources; and Appendix F: PCSGP Resources), as well as its approved subgrant application, budget, and project goals. Subgrantees may also be required to submit periodic reports to the CDE on the use of subgrant funds and progress toward proposed subgrant activities.

#### 4.2 Subgrantee Universal Monitoring

Subgrantee monitoring begins at the time of application, to identify potential areas of concern based on risk-assessment criteria. Subgrantees must maintain eligibility and demonstrate progress towards subgrant fiscal and program goals, failure to meet any of these criteria may result in the termination of the subgrant award.

Table 4.2 Subgrantee Universal Monitoring Event Timeline

| **Monthly/Quarterly Activities** | **Annual Activities** | **End of Subgrant Activities** |
| --- | --- | --- |
| * Fiscal and Program Monitoring, including monthly or quarterly expense reports * Progress on Subgrant Goals * Spend Down on Subgrant Funds | * Annual Subgrant Review   + Annual Progress Report (APR)   + Budget Review   + Compliance Desk Review   + Contract Review   + Enrollment & Supplemental Award Eligibility Review   + SAM Registration and UEI Renewal * Mandatory CSP Compliance & TA Trainings | * Third-Party External Review * Subgrantee Closeout Process |

##### 4.2.1 Fiscal Reporting Requirements

All PCSGP Start-Up Subgrants are reimbursement only. The CDE will not issue any advance payments for the subgrant. In order to be reimbursed for expenses, subgrantees must identify their fiscal reporting cadence for each year of the subgrant term: monthly or quarterly. On the fiscal reporting cadence requested, subgrantees will provide:

1. Expenditure Report requesting reimbursement for all expenditures for the reporting period;
2. A copy of an accumulative general ledger (GL) report for each reporting period including itemized costs, vendor names, date incurred, and a description of the services or items purchased; and
3. Supporting documentation including, but not limited to, invoices, receipts, personnel activity reports, contracts, etc.

Table 4.2.1.1 Quarterly Fiscal Reporting Due Dates

| **Quarter** | **Reporting Period** | **Report Due Date** |
| --- | --- | --- |
| 1 | July 1–September 30 | October 31 |
| 2 | October 1–December 31 | January 31 |
| 3 | January 1–March 31 | April 30 |
| 4 | April 1–June 30 | July 31 |

Table 4.2.1.2 Monthly Fiscal Reporting Due Dates

| **Month** | **Reporting Period** | **Report Due Date** |
| --- | --- | --- |
| 1 | July 1-31 | August 15 |
| 2 | August 1-31 | September 15 |
| 3 | September 1-30 | October 15 |
| 4 | October 1-31 | November 15 |
| 5 | November 1-30 | December 15 |
| 6 | December 1-31 | January 15 |
| 7 | January 1-31 | February 15 |
| 8 | February 1-28 | March 15 |
| 9 | March 1-31 | April 15 |
| 10 | April 1-30 | May 15 |
| 11 | May 1-31 | June 15 |
| 12 | June 1-30 | July 15 |

The subgrantee is responsible for ensuring that reports are accurate, complete, and submitted on time. Failure to submit timely, accurate reports may result in reimbursement payments being delayed and may result in termination of the subgrant award. All subgrant funds must be obligated on or before the final day of the subgrant term and paid in full within 90 days. Reimbursement requests beyond the 90 day liquidation period may not be processed without prior approval.

#### 4.2.2 Annual Review

At least annually, the CDE will review the continuing eligibility, compliance, and subgrant progress of each subgrantee. Below is a summary of key annual review components:

1. Annual Progress Reports
2. Budget Review
3. Compliance Desk Review
4. Contract Review
5. Enrollment and Supplemental Award Eligibility Review
6. SAM Registration and UEI Renewal Review

##### 4.2.2.1 Annual Progress Reports

Annual progress reports (APRs) must be submitted to the CDE to report project progress. The APR must disclose potential areas of non-compliance including, but not limited to, annual audit findings and any letters or notices of concern, violation, investigation, or revocation issued by the authorizer. The subgrantee is responsible for ensuring that APRs are accurate, complete, and submitted on time. Continuing eligibility requirements and progress toward achieving subgrant goals will be monitored through the APR process. Failure to submit APRs may result in termination of the subgrant award or withholding of the final payment until all reports are submitted.

##### 4.2.2.2 Budget Review

An annual budget of projected expenditures to be funded by the subgrant must be submitted during the application process. Once there is an approved budget on file with the CDE, budget revision requests are permitted. However, all budget revision requests must be submitted and approved by the CDE prior to submission of expenditures for reimbursement. All expenditures charged to the subgrant must be in the approved budget or an approved budget revision. Items that are charged to the subgrant outside of the approved budget may be rejected for payment.

Annually, the subgrantee will provide an updated budget of projected expenditures including any requested rollover. CDE may review subgrantee budgets against progress towards subgrant goals and determine if revisions or subgrant award reductions are necessary.

##### 4.2.2.3 Compliance Desk Review

During annual file review, CDE may review continuing eligibility for subgrant funding including, but not limited to, the federal definition of a charter school, progress towards subgrant goals, outcomes by student group (e.g. academic outcomes, suspension/expulsion data, student retention rates), annual audit reports, information reported on the CDE Annual Certification of Information, and public posting on the charter school website of the annual School Accountability Report Card (SARC) and the following required information (ESEA Section 4303[f][2][G]) throughout the term of the subgrant:

* 1. Information on the educational program;
  2. Student support services;
  3. Parent contract requirements (as applicable), including any financial obligations or fees;
  4. Enrollment criteria (as applicable); and
  5. Annual performance and enrollment data for each of the subgroups of students, as defined in ESEA Section 1111(c)(2), except that such disaggregation of performance and enrollment data shall not be required in a case in which the number of students in a group is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student (ESEA Section 4303(f)).

As a condition of eligibility, each charter school that receives a CSP subgrant must agree to disclose and share an electronic copy of any official notices including, but not limited to, letters of concern, notice of violations, or notice of intent to revoke, from its authorizer with the CDE.

The applicant agrees that all audits of financial statements will be conducted in accordance with Government Auditing Standards and with policies, procedures, and guidelines established by the EDGAR, Single Audit Act Amendments, and OMB Circular A-133. Pursuant to *EC* Section 47605(m) the subgrant recipient will transmit a copy of its annual, independent financial audit by December 15 to its authorizing agency, the State Controller’s Office, the Department of Education, and the county superintendent of schools of the county in which the school is sited, unless the authorized by the county. *EC* Section 47604.32(a)(3-4) requires authorizers to ensure that charter schools comply with all required reports and to monitor the fiscal condition of each charter school under their authority.

##### 4.2.2.4 Contract Review

CDE will annually review contracts of $5,000 or more for all subgrantee schools. Contracts must demonstrate that the subgrantee school governing board has not ceded fiscal or operational authority to a third-party management organization (See 7.1 Charter School Autonomy and Governance Narrative Requirements).

##### 4.2.2.5 Enrollment Review and Minimum Enrollment Levels

Annually, the CDE will review enrollment levels for each subgrantee school against its PCSGP application and local district demographics, to assess continued eligibility for overall subgrant funding and specific supplemental funding categories.

To qualify for continued PCSGP funding, all subgrantees serving students must show enrollment of at least **80** students at any point in time during the first year of the subgrant award and each subsequent year. All subgrantees are required to submit the CALPADS Census Day Enrollment Report and Charter 20 Day Report to the CDE each year of the subgrant award, as applicable. Subgrantees with an enrollment count below 72 students (90 percent of the required 80 students) will be placed on payment hold until the required enrollment has been achieved and certified by the charter school authorizer or additional documentation has been received to prove financial sustainability.

Subgrantees failing to meet the 80-student minimum enrollment requirement by the end of the first year of the subgrant term must show the charter school is sustainable with the reduced enrollment. Failure to show sustainability or to meet the enrollment target will result in the termination of the subgrant award.

##### 4.2.2.6 SAM Registration and UEI Renewal Review

If awarded, the subgrantee must maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by an agency. See Section 2.1 General Applicant Eligibility.

#### 4.3 Targeted Subgrantee Monitoring

The CDE will continuously monitor and assess the risk-level of subgrantees including, but not limited to, evidence collected through applications, fiscal reporting, and annual review. Targeted monitoring will be conducted at the following cadence:

Table 4.3 Targeted Subgrantee Monitoring

| **Targeted Subgrantee Monitoring** |
| --- |
| **Planning Phase Subgrantees (100% of Planning Phase Subgrantees):**   * Planning Benchmark Report & Review (PBR) * Mandatory Pre-Opening TA Trainings |
| **Targeted Risk-Based Monitoring (50% of Subgrantees)**   * Onsite and Desk Review Based on Risk Assessment |

##### 4.3.1 Planning Phase Monitoring

All Planning subgrantees must begin serving students by the end of the 18-month maximum planning period. Subgrantee schools failing to open within the 18-month maximum planning period may not be eligible for Implementation subgrant funding, subgrants may be cancelled, and the subgrantee may be billed back for all subgrant funding dispersed to date.

All Planning subgrantees are required to submit a copy of the signed lease agreement or evidence of securing a Prop 39 facility prior to approval for Implementation add-on funding. In addition to delaying approval for additional funding, failure to show a secured facility may put the Planning subgrant on payment hold until the charter school can show proof of acquiring an appropriate facility.

All Planning subgrantees must complete a Planning Subgrant Benchmark Report demonstrating the subgrantee has begun serving students, has met all PCSGP reporting requirements, and has been successful in completing the PCSGP planning phase Subgrant Project Goals. In order to apply for Implementation add-on funding, the Subgrantee must submit the Planning Subgrant Benchmark Report, including a Budget Summary and Budget Narrative (Forms 6 & 7) and Subgrant Project Goals (Form 4) for the Implementation phase. All Planning subgrantees must verify enrollment in accordance with Section 4.2.2.5 Enrollment Review and Minimum Enrollment Levels . The Planning Subgrant Benchmark Report will be sent to all eligible Planning subgrantees in the final quarter of the planning subgrant term and is due by the end of the first month the school begins serving students. The CDE will review all submitted documents and announce grant award notifications no later than four weeks after receipt of the Planning Subgrant Benchmark Report.

##### 4.3.2 Targeted Risk-Based Monitoring

The CDE will also conduct targeted monitoring for subgrantees based on annual risk-based criteria, which may include desk reviews and onsite monitoring visits, contingent on travel restrictions and the availability of funds. All monitoring evidence submitted to the CDE is subject to verification. If selected as part of a site monitoring visit sample, subgrantees must agree to site visits by state representatives. The site visit is intended to validate information provided in fiscal and program reports and gather more detailed information on implementation efforts and challenges. Prior to a monitoring review, the selected subgrantees are required to submit relevant information that will allow the CDE to conduct a useful, efficient, and effective visit. The CDE will provide all selected charter schools with an electronic submission portal. The CDE may require additional information from the subgrantee, including, but not limited to, invoices, receipts, personnel time and effort reports, and verification of information from the authorizing agency.

CDE staff will verify the contents of documentation submitted and complete a formal report to the subgrantee regarding any findings from a review of the evidence provided. The subgrantee will be asked to revise expenditure reports if it is determined that non-allowable expenses are included or if there are unexplained discrepancies between the proposed use of Subgrant funds, as provided in the annual budget, and the actual expenditures found in the submitted documentation. Failure to follow state laws and the intent of the grant or failure to resolve findings from the monitoring review may result in the termination of the subgrant and the return of all subgrant fund disbursements. The CDE may also conduct informal and unannounced site visits, and additional requests for information.

#### 4.4 Program Evaluation: External Review

A rigorous process of review is required for all Implementation, Replication, and Expansion subgrantees prior to the final subgrant payment. The external review must be conducted by a third-party external to the charter school, which may be the charter school authorizer, but may not be affiliated with any member of the charter school’s governing board, faculty, or staff. A summary of the review must be provided to the CDE including review of the education program, fiscal condition, and compliance with state and federal charter school requirements. If a subgrantee fails to conduct any subgrant requirements, including the external review, on or before the end of the subgrant period, the CDE will withhold ten percent of the total subgrant award.

### 5. Fiscal Operations

#### 5.1 Allowable Use of Funds

PCSGP Start-Up Subgrantees may only use subgrant funds for allowable subgrant expenditures during the subgrant period. PCSGP Start-Up Subgrant activities may include: (1) post-award planning and design of the educational program which may include: (a) refinement of the desired educational results and of the methods for measuring progress toward achieving those results; and (b) professional development of teachers and other staff who will work at the charter school; and (2) initial implementation of the charter school, which may include: (a) informing the community about the school; (b) acquiring necessary equipment and educational materials and supplies; (c) acquiring or developing curriculum materials; and (d) other initial operational costs that cannot be met from State or local sources, pursuant to 20 U.S.C. Section 7221c(f)(3). PCSGP Start-Up Subgrant funds may be used to fund one or more of the following activities described in 20 U.S.C. 7221b(h):

1. Acquiring supplies, training, equipment (including technology), and educational materials (including developing and acquiring instructional materials).
2. Carrying out necessary renovations to ensure that a new school building complies with applicable statutes and regulations, and minor facilities repairs (excluding construction).
3. Providing one-time startup costs associated with providing transportation to students to and from the charter school.
4. Carrying out community engagement activities, which may include paying the cost of student and staff recruitment.
5. Providing for other appropriate, non-sustained costs related to the activities described in subsection (b)(1) when such costs cannot be met from other sources.

Additionally, PCSGP Start-up Subgrant funds may be used to support indirect costs, limited to the subgrantee’s CDE-approved Indirect Cost Rates (ICR) as found on the [CDE ICR web page](https://www.cde.ca.gov/fg/ac/ic/) for the applicable FY in which the funds are expended. If the subgrantee does not have a current CDE-approved ICR, and has never received one, the subgrantee may charge indirect costs on a preliminary basis using the statewide average rate (e.g. 5.94 percent for fiscal year 2024–25). Indirect costs are agency-wide, general management costs (i.e., activities for the direction and control of the agency as a whole). General management costs consist of administrative activities necessary for the general operation of the agency, such as accounting, budgeting, payroll preparation, personnel services, purchasing, and centralized data processing. All indirect costs must be charged against eligible program expenditures, in compliance with state and federal law and regulations, and aligned with standard accounting practices. Please see additional information on rates, eligible program expenditures, and other guidance at the [CDE ICR Frequently Asked Questions web page](https://www.cde.ca.gov/fg/ac/ic/icrfaq.asp).

Subgrantees may only use subgrant funds as stated in the **approved budget**. The PCSGP funds must supplement, not supplant, existing services and may not be used to supplant federal, state, local, or nonfederal funds. Programs may not use PCSGP funds to pay for existing levels of service funded from any other source. PCSGP funds cannot be used for new construction, class size reduction, out-of-country travel, after school programs, or purchases that do not directly support the approved project goals. All out of state travel **MUST** be pre-approved by the CDE in the approved budget narrative. See Appendix F: PCSGP Resources for additional information regarding travel reimbursement rates.

**Implementation, Replication, or Expansion** subgrant funds may not be used to supplant salaries and benefits of school employees. Each eligible charter school that receives an award may use the funds to carry out activities that advance the PCSGP subgrant priorities.

**Planning** subgrant funds may be used to engage in necessary planning and preparation activities for when students are enrollment and for hiring and compensating, during the eligible applicant’s planning period specified in the application for subgrant funds that is required under this section, one or more of the following: teachers, school leaders, and specialized instructional support personnel. Definitions for the staffing positions described pursuant to 20 U.S.C*.* 7801:

1. Specialized instructional support personnel. The term `specialized instructional support personnel' means:
   1. School counselors, school social workers, and school psychologists; and
   2. Other qualified professional personnel, such as school nurses, speech language pathologists, and school librarians, involved in providing assessment, diagnosis, counseling, educational, therapeutic, and other necessary services (including related services as that term is defined in Section 602 of the Individuals with Disabilities Education Act (20 U.S.C. 1401)) as part­­ of a comprehensive program to meet student needs.
2. School leader. The term ‘school leader’ means a principal, assistant principal, or other individual who is:
   1. An employee or officer of an elementary school or secondary school, local educational agency, or other entity operating an elementary school or secondary school; and
   2. Responsible for the daily instructional leadership and managerial operations in the elementary school or secondary school building.

Additional information is available at [PCSGP Use of Funds Guidance](https://www.cde.ca.gov/sp/ch/pcsgpuseoffunds.asp). All PCSGP federally funded applicants must adhere to the legislation and regulations identified in Appendix B: Procurement, Appendix C: Equipment and Supplies Standards, Appendix D: Financial Management Standards, and Appendix E: Federal CSP Resources.

Subgrantees are prohibited from using federal grant funds for fundraising, civil defense, legal claims against the state or federal government, and contingencies.

For a detailed description of these expenditure classifications, refer to the *California School Accounting Manual,* 2024 Edition*.* Visit the [CDE Accounting web page](http://www.cde.ca.gov/fg/ac/sa/) for viewing and downloading information.

#### 5.2 Proposed Budget Summary and Narrative (Forms 6 and 7)

All applicants must complete the PCSGP Budget Proposal Excel Workbook including Form 6 – Budget Summary and Form 7 – Budget Narrative. The completed worksheets must be printed and submitted as part of the application submission package. Applicants must clearly identify Planning Phase and Implementation Phase activities within their budget forms.

The CDE will review all budgets and justifications to ensure that all costs are reasonable, necessary, and allocable to the grant. Additional information regarding allowable and non-allowable expenses can be found on the [CDE PCSGP Administration, Resources and Support web page](https://www.cde.ca.gov/sp/ch/pcsgpadmin.asp).

#### 5.3 Reimbursement Payments to Subgrantees

The subgrantee must report expenditures as described in 4.2.1 Fiscal Reporting Requirements in order to receive reimbursement for expenses incurred. The CDE will review fiscal reports and corresponding supporting documentation for resource code 4610 that are submitted and certified by the subgrantee. The approved fiscal reports will be used to determine the reimbursement payment due to the subgrantee in each reporting period. Late or incorrect fiscal reporting will delay payments. Failure to submit timely fiscal reports may result in the termination of the subgrant. If the subgrant is terminated, the funding dispersed to date may be invoiced.

No reimbursement payments will be made in excess of the annual subgrant allocation by year, or 90 percent of the total subgrant award for Implementation, Replication, and Expansion subgrantees. Ten percent of the Implementation, Replication, and Expansion subgrant awards will be withheld until all subgrant requirements have been met.

#### 5.4 Termination of Funding

PCSGP Start-Up Subgrant funding may be terminated and reimbursements payments dispersed to date may be invoiced if there is evidence of fraud or fiscal irregularity in the use of funds for their intended purpose(s) or if the subgrantee fails to meet ongoing eligibility requirements as outlined in this RFA. Funding may also be terminated if subgrantee fails to submit required deliverables in a timely manner including expenditure reports, supporting documentation, progress reports, compliance monitoring requests, and corrective action plans.

PCSGP subgrant funding may also be terminated if the subgrantee does not maintain an active registration within the [SAM database (External Link)](https://www.sam.gov/) throughout the entire subgrant award term. Subgrantees are responsible for ensuring their information in the SAM database is current, accurate and complete, as required by Federal Funding Accountability and Transparency Act, as defined in the Title 2 *CFR* Part 25 (PL 109–282; PL 110–252). Pursuant to 2 *CFR*, Part 25.205, failure to register and maintain this information may result in payment holds, and/or termination of the subgrant award.

PCSGP Planning subgrant funding may be terminated if the charter school is unable to begin serving students within 18 months of the subgrant award start date.

PCSGP subgrantees failing to meet the minimum enrollment requirement by the end of the first year of subgrant implementation and unable to show that the charter school is sustainable may result in the termination of the subgrant award.

Any subgrantee whose subgrant has been terminated may not be eligible for any future PCSGP funding.

### 6. Application Specifications

Each applicant must submit one electronic copy of the complete application as a single portable document format (PDF) that contains all required items and authenticated e-signatures. The application packet must include complete and unique responses to all narrative elements described within this RFA and all required forms. Comprehensive narrative requirements and associated scoring criteria can be found in PCSGP Start-Up Subgrant Scoring Rubric.

The application must be single-line-spaced, using default character spacing and 12-point Arial font, with one-inch margins. Applications must be submitted with all forms compiled in the order listed on the Form 1 – Application Component Checklist. **Applications failing to meet these criteria or those applications with plagiarized or duplicative narrative statements from other subgrant applications may be deemed ineligible.** The electronic application must be submitted to the CDE by midnight of the application due date stated on page 3.

### 7. Narrative Response Requirements

The Narrative Response is a required element with a **30-page** limit. When responding to the narrative elements, applicants should provide a thorough response that addresses **all** requirements for each element. The CDE has provided a rubric that outlines expectations for applicant responses to each narrative element and other requirements of the application (PCSGP Start-Up Subgrant Scoring Rubric). Applicants are advised to use the rubric as a guide in preparing their applications. The rubric will also be used as a guide for reviewers during the application review and peer review scoring process. The narrative elements and required assurances are described below.

#### 7.1 Charter School Autonomy and Governance Structure

All applicants must describe the following:

* 1A) Autonomy from Authorizer: The flexibility and level of autonomy the charter school has from the authorizer over the budget, expenditures, personnel, and daily operations. See Section 2.1.1 Charter School Autonomy for additional detail.
* **1B) Governance Structure:** The governance structure of the charter school, including the process for selection and removal of governing board members. Identify all current governing board members and their positions, and include resumes for each as appendices. Any perceived conflicts of interest may require further clarification by the CDE. See Section 2.1.1 Charter School Autonomy for additional detail.
* **1C) Subgrant Management:** The PCSGP subgrant management plan for the charter school, including a description of which staff will manage the PCSGP subgrant budget and reporting requirements, and process for approving expenditures.
* **1D) Capacity and Sustainability:** How the charter school will build capacity including completion of governance and fiscal training for all site leaders and board members, and how these trainings meet state and federal requirements for open meetings and public records transparency. Describes how the applicant will maintain financial stability after the subgrant has ended using state, federal, and private funding.
* **1E) Roles and Responsibilities:** Describe the roles and responsibilities of the charter school; any partner organizations, if applicable; and charter management organizations (CMO), if applicable. Include a description of the administrative and contractual roles and responsibilities of each party.

The following attachments are required for this section:

* Governing Board Member Resumes;
* Evidence of notifying the authorizer of their intent to apply for PCSGP funding;
* A copy of the charter school’s Articles of Incorporation; and
* A copy of the Governing Board By-Laws.

#### 7.2 The Educational Program

All applicants must describe the following:

* **2A) Uniqueness of the Educational Program:** The proposed education program for the school including a description of how the program is unique to the region governed by the charter authorizer.
* **2B) School Staffing:** The projected staffing of the charter school, including justification for the number of teachers, counselors, and administration.
* **2C) Curriculum and Instructional Practices:** The curriculum and instructional practices at the school including the subjects and academic content. Instructional practices must describe the techniques or methodology used by teachers to help engage students and increase student learning based on sound research with appropriate citations. **Expansion Applicants** must describe the new curriculum and instructional strategies for the new grades being added to the school.
* **2D) Schoolwide Academic Performance Objectives and Methods of Assessment:** The academic performance objectives of the school for the first five years of operation and methods for assessing each.
* **2E) Meeting the Needs of All Students:** How the school will meet the educational needs of its students, including:
* **Students with Disabilities:** How the charter school will meet the needs of students with disabilities and demonstrate progress towards statewide academic assessments, in compliance with part B of the IDEA and section 504 of the Rehabilitation Act of 1973; and
* **English Learners:** How the charter school will meet the needs of English Learners, including practices to support identification, assessment, and reclassification.
* **2F) Equal Access to Technology:** Plans for the use of educational technology, including how the applicant will provide equal access for students who do not have access to technology in the home.

#### 7.3 Needs Analysis

All applicants must provide a needs analysis and description of the need for the proposed project, including how the proposed project would serve the interests and meet the needs of students and families in the communities the charter school intends to serve. The needs analysis, which may consist of information and documents previously submitted to an authorized public chartering agency to address need, must include, but is not necessarily limited to, the following:

* **3A) Interest, Need, and Benefits to the Community:** Descriptions of the local community support, including information that demonstrates interest in, and need for, the charter school; benefits to the community; and other evidence of demand for the charter school that demonstrates a strong likelihood the charter school will achieve and maintain its enrollment projections. Such information may include information on waiting lists for the proposed charter school or existing charter schools or traditional public schools; data on access to seats in high-quality public schools in the districts from which the charter school expects to draw students; and family interest in specialized instructional approaches proposed to be implemented at the charter school.
* **3B) Projected Student Enrollment:** Information on the proposed charter school’s projected student enrollment, and evidence to support the projected enrollment based on the needs analysis and other relevant data and factors, such as the methodology and calculations used.
* **3C) Projected Student Demographics:** An analysis of the proposed charter school’s projected student demographics and a description of the demographics of students attending public schools in the local community in which the charter school would be located and the school districts from which the students are, or would be, drawn to attend the charter school; a description of how the applicant plans to establish and maintain a racially and socio-economically diverse student body, including proposed strategies (that are consistent with applicable legal requirements) to recruit, admit, enroll, and retain a diverse student body. An applicant that is unlikely to establish and maintain a racially and socio-economically diverse student body at the proposed charter school because the charter school would be located in a racially or socio-economically segregated or isolated community, or due to the charter school’s specific education mission, must describe-

(*A*) Why it is unlikely to be able to establish and maintain a racially and socio-economically diverse student body at the proposed charter school;

(*B*) How the anticipated racial and socio-economic makeup of the student body would promote the purposes of the CSP to provide high-quality educational opportunities to all students, which may include a specialized educational program or mission; and

(*C*) The anticipated impact of the proposed charter school on the racial and socio-economic diversity of the public schools and school districts from which students would be drawn to attend the charter school.

* **3D) Family and Community Engagement Plan:** A robust family and community engagement plan designed to ensure the active participation of families and the community that includes the following:

(*A*) How families and the community were, are, or will be engaged in determining the vision and design for the charter school, including specific examples of how families’ and the community’s input was, is, or is expected to be incorporated into the vision and design for the charter school.

(*B*) How the charter school will meaningfully engage with both families and the community to create strong and ongoing partnerships.

(*C*) How the charter school will foster a collaborative culture that involves the families of all students, including underserved students, in ensuring their ongoing input in school decision-making.

(*D*) How the charter school’s recruitment, admissions, enrollment, and retention processes will engage and accommodate families from various backgrounds, including English learners, students with disabilities, and students of color, including by holding enrollment and recruitment events on weekends or during non-standard work hours, making interpreters available, and providing enrollment and recruitment information in widely accessible formats (e.g., hard copy and online in multiple languages; as appropriate, large print or braille for visually-impaired individuals) through widely available and transparent means (e.g., online and at community locations).

(*E*) How the charter school has engaged or will engage families and the community to develop an instructional model to best serve the targeted student population and their families, including students with disabilities and English learners.

* **3E) Operational Plans:** How the plans for the operation of the charter school will support and reflect the needs of students and families in the community, including consideration of district or community assets and how the school’s location, or anticipated location if a facility has not been secured, will facilitate access for the targeted student population (e.g., access to public transportation or other transportation options, the demographics of neighborhoods within walking distance of the school, and transportation plans and costs for students who are not able to walk or use public transportation to access the school).
* **3F) Equal Access:** The steps the applicant has taken or will take to ensure that the proposed charter school (*A*) would not hamper, delay, or negatively affect any desegregation efforts in the community in which the charter school would be located and the public school districts from which students are, or would be, drawn to attend the charter school, including efforts to comply with a court order, statutory obligation, or voluntary efforts to create and maintain desegregated public schools; and (*B*) to ensure that the proposed charter school would not otherwise increase racial or socio-economic segregation or isolation in the schools from which the students are, or would be, drawn to attend the charter school.

#### 7.4 Conditions of Learning

All applicants must describe the following:

* **4A) Parent and Community Input:** How the eligible applicant will solicit and consider input from parents and other members of the community on the implementation and operation of each charter school that will receive funds under PCSGP.
* **4B) Effective Parent, Family, and Community Engagement Strategies:** How the eligible applicant will support the use of effective parent, family, and community engagement strategies to operate each charter school that will receive funding under PCSGP.
* **4C) Ongoing Educator and Community Engagement:** A high-quality plan with timeline and description of how the charter school is being developed and implemented (1) with meaningful and ongoing engagement with current or former teachers and other educators and (2) using a community-centered approach that includes an assessment of community assets, information about the development of the charter school, and includes the implementation of protocols and practices designed to ensure that the charter school will use and interact with community assets on an ongoing basis to create and maintain strong community ties.
* **4D) Teacher Recruitment, Retention, Onboarding:** How the applicant will recruit and retain appropriately credentialed and assigned teachers; and process for reviewing compliant credentials, background checks, and clearances to begin instruction.
* **4E) Professional Development Plan:** A well-developed professional development plan for all grade levels supported by the PCSGP subgrant including plans to provide teachers and administrators with meaningful and actionable data to manage continuous instructional improvement.
* **4F) School Transportation:** A plan demonstrating how the applicant has considered and planned for the transportation needs of its students. This may include, but is not limited to, proximity to public transportation, contracting transportation services, and the purchase of vehicles using PCSGP funds.
* **4G) Student Retention Practices:** A plan for student retention practices for the charter school, including how the applicant will address attendance rates, chronic absenteeism rates, middle school dropout rates, high school dropout rates, and high school graduation rates, as applicable.
* **4H) Student Discipline:** A plan for discipline practices for the charter school and programs to reduce the overuse of discipline practices that remove students from the classroom.
* **4I) Student Recruitment, Admissions, and Enrollment Practices:** A plan for student recruitment practices including how the community will be or has been informed about the charter school and how all students, including EDS, will be given an equal opportunity to attend. The school’s enrollment practices, admissions practices, and waitlist practices (e.g. if waitlists are permitted or required, and an explanation of how and when students are offered seats if they become available), including projected annual timelines for conducting a lottery.
* **4J) Admissions Preferences:** The school’s admission preferences as approved by the authorizer in the charter petition. Admissions preferences must be aligned with Section 2.1.2 Public Random Drawing and Lottery requirements, including allowable lottery preferences.
  + If the school’s authorizer-approved enrollment preferences, lottery exemptions, or weighted lottery include categories which are not included above, provide the following assurance and information on the charter school’s letterhead, signed by the charter school administrator:

*[Name of charter school] will implement only enrollment preference, lottery exemption, and weighted lottery categories that are compliant with CSP statute, Nonregulatory Guidance, and additional categories approved by the U.S. Department of Education for the term of the PCSGP subgrant.*

* **4K)** **PCSGP School Procedures:** Describe procedures to deliver student records to another public local educational agency in a timely manner and to help students transfer to other high-quality schools, in the event that the applicant school closes.

#### 7.5 Management Organization Autonomy

The following descriptions are required for all Replication applicants and any applicants that reported working with a CMO, EMO, or ESP on Form 2:

* **5A) Autonomy from Management Organization:** If the charter school is affiliated with a CMO, EMO, or ESP, or overseen by a non-profit that manages multiple schools, the applicant must also describe the flexibility and level of autonomy it has from the CMO, EMO, ESP, or non-profit over budget, expenditures, personnel, and daily operations, including the administrative and contractual roles and responsibilities of such partners. This includes any existing or proposed contract between a charter and a for-profit management organization (including a nonprofit management organization operated by or on behalf of a for-profit entity), without regard to whether the management organization or its related entities exercises full or substantial administrative control over the charter school or the subgrant project.
* **5B) Management Organization Financial Relationships:** Any business or financial relationship between the charter school developer/founding group and the management organization, including payments, contract terms, and any property owned, operated, or controlled by the management organization or related individuals or entities that will be used by the charter school.
* **5C) Management Organization Conflict of Interest:** Provide the name and contact information for each member of the governing board of the charter school and a list of the management organization’s officers, chief administrator, or other administrators, and any staff involved in approving or executing the management contract; and a description of any actual or perceived conflicts of interest, including financial interests, and how the applicant will resolve any actual or perceived conflicts of interest to ensure compliance with 2 CFR 200.318(c).
* **5D) Management Organization Governance Structure:** How the applicant will ensure that members of the governing board of the charter school are not selected, removed, controlled, or employed by the management organization and that the charter school’s legal, accounting, and auditing services will be procured independently from the management organization.
* **5E) Management Organization Contract Severance:** How the applicant will ensure that the management contract is severable, severing the management contract will not cause the proposed charter school to close, the duration of the management contract will not extend beyond the expiration date of the school’s charter, and renewal of the management contract will not occur without approval and affirmative action by the governing board of the charter school.
* **5F Student Record Control:** A description of the steps the applicant will take to ensure that it maintains control over all student records and has a process in place to provide those records to another public school or school district in a timely manner upon the transfer of a student from the charter school to another public school, including due to closure of the charter school, in accordance with ESEA Section 4308.
* **Required Appendices for this section:**
  + For any applicant that reports working with a CMO, EMO, or ESP: Provide a copy or description of any contract executed for each CMO, EMO, or ESP identified above including the name and contact information; the cost (i.e., fixed costs and estimates of any ongoing costs or fees), **including the amount of PCSGP funds proposed to be used toward such cost,** and the percentage such cost represents of the school’s overall funding; the duration of the contract; roles and responsibilities of the management organization; and steps the applicant will take to ensure that it pays fair market value for any services or other items purchased or leased from the management organization, makes all programmatic decisions, maintains control over all PCSGP funds, and directly administers or supervises the administration of the grant in accordance with 34 CFR 75.701.

### 8. Application Review and Scoring Process

#### 8.1 Application Screening

After the application has been submitted, CDE staff will screen the application to verify the application is complete and meets all eligibility criteria in the narrative responses. An application that does not meet **all** of the eligibility criteria will receive a peer review score and the primary applicant will be formally notified by the CDE staff.

#### 8.2 Peer Review

Federal CSP regulations require a peer review of PCSGP applications. California recruits charter school developers, governing board members, operators, and authorizers to participate in this process. Reviewers are required to recuse themselves from the evaluation of any application for which they have a perceived or real conflict of interest. Each application is independently reviewed and scored by two peer reviewers. If scores are not aligned, CDE will facilitate discussion between reviewers to calibrate the scores. If no consensus is reached, a third peer reviewer will score the application, and the two most aligned scores will be utilized for final scoring. The peer reviewers record scores and provide feedback to the applicant on areas deemed inadequate for funding purposes. Subject to the availability of funds, eligible applications having received feedback may be considered for additional peer review with amendments. Upon completion of peer review, those applications recommended for funding by the peer reviewers will be ranked based on peer review scores and any additional preference points. Cut scores for funding, amendments, or non-funding are available in the PCSGP Subgrant Scoring Rubric.

#### 8.3 Peer Review Scoring Criteria

Each element of the narrative response of the application will be scored using a 4-point rubric. Peer reviewers will examine and score eligible applications with respect to the following:

1. Charter School Autonomy and Governance Structure
2. Education Program
3. Needs Analysis
4. Conditions of Learning
5. Management Organization Autonomy (if applicable)
6. Exclusive Partnership Charter Schools (if applicable)
7. Project Goals and Performance Measures

Any rubric element that is missing from the narrative response will be scored at a “0.” Any application receiving a “0” on one or more rubric elements will not be considered for funding.

#### 8.4 Approval Process

All applications passing the peer review process are subject to further review by the CDE to ensure the applicant is eligible for funding. This may include a review of the charter school petition for verification of lottery preferences, education model, and any other aspects of the petition as needed. The CDE will only recommend funding for those applications with a well-developed, comprehensive, viable application that fully complies with all California state laws and the requirements described in this RFA. Applicants are advised to refer to the PCSGP Start-Up Scoring Rubric for further guidance on developing an appropriate response.

Once the eligibility review and the peer review are complete, CDE staff will notify the applicant of the status of their application. Those applications approved for funding will be provided with additional instructions from the CDE to receive a GAN.

#### 8.5 Subgrant GAN

The GAN is the official notification to applicants approved for subgrant funding. The GAN is a legally binding document between the CDE and the subgrantee. Upon notice of award, subgrantees must return the GAN with an authenticated e-signature of the designated primary applicant– president of the board of directors of the nonprofit entity, an executive officer, or lead petitioner. By signing the GAN, the subgrantee is accepting all terms, conditions, assurances, and certifications of the PCSGP Start-Up Subgrant. A PCSGP Start-Up Subgrant has been awarded only after the CDE receives the signed GAN from the subgrantee.

#### 8.6 Submission of Applications

Applicants responding to this RFA must submit a single, complete electronic PDF copy with all required authenticated e-signatures, as noted on each application form. The application packet must include complete and unique responses to all narrative elements described within this RFA and all required forms in the order listed on the Form 1 – Application Component Checklist.

The electronic copy, saved as one PDF file, must be emailed to [PCSGP@cde.ca.gov](mailto:pcsgp@cde.ca.gov), no later than midnight on the application due date listed on page 3.

#### 8.7 Waivers

If an applicant believes that a waiver is necessary for the successful operation of the charter school, the applicant must have an approved waiver for any state or local laws, regulations, or policies that are generally applicable to charter schools prior to submitting a PCSGP Start-Up Subgrant application.

If the charter school previously received a PCSGP Planning subgrant, or requires a waiver of any federal statutory or regulatory provisions, the applicant must submit a written request to waive a specific statute or regulations, including an explanation or justification for the request, concurrently with, or prior to, submitting the PCSGP Start-Up Subgrant application.

#### 8.8 Appeal Process

If an application is deemed ineligible or not approved for funding, applicants may request an appeal of the denial within 30 calendar days following receipt of the letter of denial. The request for appeal must clearly identify a violation of the application review process as determined by State or Federal statues, rules, regulations, or guidelines governing the PCSGP in disapproving applications or failing to comply with California’s approved 2024 CSP application or program in whole or part (34 *CFR* 76.401). A request to appeal the denial of a subgrant award should be addressed to [PCSGP@cde.ca.gov](mailto:pcsgp@cde.ca.gov).

Appeals shall be limited to the grounds that the CDE failed to correctly apply the standards for reviewing the application as specified in this RFA. The appellant must file a full and complete written appeal, including the issue(s) in dispute, the legal authority or other basis for the appeal position, and the remedy sought. The CDE will not consider incomplete or late appeals. The appellant may not supply any new information that was not originally contained in the original application.

Within 30 days after it receives a valid appeal request, the CDE shall hold a hearing on the record. The Charter Schools Division Director will make the final decision in writing within ten days after the hearing. That decision shall be the final administrative action afforded the appeal. All appeal decisions will be made prior to the approval of the subgrant.

## Request for Applications Instructions

The following forms must be included as part of the PCSGP Start-Up Subgrant application.

Forms 1, 2, 3, 3a, 3b, 4, and 5 are contained in one Word document, the **PCSGP Start-Up Subgrant Application Packet**. Forms 6 and 7 are contained in one Excel workbook, the **PCSGP Start-Up Subgrant Budget Proposal Workbook**. All application components must be submitted in the order listed on Form 1 and submitted as one PDF (see instructions in Section 8.6 Submission of Applications). Prior to submission, the PDF application package must be signed by the primary applicant using an authenticated electronic signature.

**Important:** Enter the charter school name in each of the document headers to ensure that all pages of the application can be traced back to the same application package.

### PCSGP Start-Up Subgrant Application Packet (Forms 1–5)

#### Form 1 – Application Component Checklist Instructions

Include this completed checklist in the application packet. Enter initials in the corresponding column after verifying whether the document is included in the application in the order provided.

#### Form 2 – Subgrant Application Cover Sheet Instructions

Enter all required information into Form 2 – Subgrant Application Cover Sheet. Prior to submission, the PDF application package must be signed by the primary applicant using an authenticated electronic signature.

#### Form 3 – Subgrant Application Narrative Instructions

Insert the applicant’s subgrant Application Narrative. The subgrant Application Narrative is a required element with a **30-page** limit; peer reviewers may not read beyond page 30. See Section 6 Application Specifications. PCSGP Start-Up Subgrant Scoring Rubric outlines expectations for applicant responses to each narrative element and other requirements of the application. The rubric will also be used as a guide for reviewers during the application review and peer review and scoring process, see Section 8 Application Review and Scoring Process. Applicants are advised that the rubric categories may be used to organize the structure of the subgrant Application Narrative.

#### Form 3a – High-Quality Charter School Response Instructions

Insert the High-Quality Charter School Response, required for Replication and Expansion applicants only. Additional information on this requirement can be found in Section 2.2.3 of this RFA.

#### Form 3b – Supplemental Funding Eligibility Responses

The Form 3b – Supplemental Funding Eligibility Responses are required for any applicant school requesting supplemental funding for criteria for which it is already eligible on Form 2. Eligibility criteria for each supplemental funding category are provided in Section 3.3 Supplemental Funding Levels.

#### Form 4 – Subgrant Project Goals and Performance Measures Instructions

The applicant must identify 3-5 subgrant project goals and justify each goal in terms of its value in supporting the planning and implementation of your proposed school. The applicant must identify at least one performance measure per goal, along with annual metrics to monitor progress towards each performance measure.

Each subgrant project goal should be a quality goal, and the set of goals fulfils minimum content requirements, including:

* Project goals should be specific, measurable, action-oriented, realistic, relevant, time-bound, and include targets (SMART). Goals may be similar or identical to the school’s mission-specific goals; however, they should directly correspond to the proposed subgrant budget line items

There should be clear alignment among subgrant project goals, and the overall mission and goals of the school.

* Each project goal should align with the mission and vision for the school.
* Each project goal should have a justified purpose that supports the school in reaching performance goals.
* All performance measures and metrics for targeted student populations should be appropriately rigorous

##### Form 4 Example – Subgrant Project Goals and Performance Measures

**Goal 1:**Fully furnish the XYZ Charter School expansion program

**Justification:** XYZ is in the process of building out the classroom space needed for the high school expansion in the fall of 2025. In order to ensure our students receive a high-quality education, we will use PCSGP funds to purchase all of the equipment, supplies, furniture, and technology needed to achieve this goal. We believe these expenses are justified because they are directly related to the resources and supplies our staff and students need to implement this expansion and ensure all students have the support they need to be successful.

Form 4 Example Table 1

| **Performance Measures** | **Year 1** (Planning) | **Year 2** | **Year 3** |
| --- | --- | --- | --- |
| Purchase Chromebooks to implement a 1:1 model, plus an additional 10% to account for the devices that come defective and need to be replaced under warranty. | Research the appropriate Chromebook model to support learning at the high school level | 33 Chromebooks | 66 Chromebooks |
| Equip high school classrooms with the necessary equipment, supplies, and furniture to support the expansion of the program | High school design team to research necessary equipment, supplies, and furniture to implement a high-quality academic program | Purchase equipment, supplies, and furniture for 8 HS classrooms for (30) 9th grade students | Purchase equipment, supplies, and furniture for 8 HS classrooms for (30) 10th grade students |

**Goal**: Recruitment and Marketing for Enrollment and Retention

**Justification**: Setting aside money and resources for recruitment and retention are essential to meet enrollment targets and achieve financial sustainability.

Form 4 Example Table 2

| **Performance Measures** | **Year 1** (Planning) | **Year 2** | **Year 3** |
| --- | --- | --- | --- |
| Implement a recruitment and marketing strategy plan in order to meet enrollment targets each year of the subgrant. | Develop and begin implementation of a recruitment and marketing strategy plan. Enroll students for school launch in Year 2. | Analyze the prior year’s methods and modify if needed. If they are successful we will maintain the same strategy and purchase those same marketing outlets. Enroll students for next school year. | Analyze the prior year’s methods and modify if needed. If they are successful we will maintain the same strategy and purchase those same marketing outlets. Enroll students for next school year. |

#### Form 5 – Subgrant Conditions and Assurances Instructions

Enter all required information into Form 5 – Subgrant Conditions and Assurances. Prior to submission, the PDF application package must be signed by the primary applicant with an authenticated electronic signature.

### PCSGP Start-Up Subgrant Budget Proposal Excel Workbook (Forms 6–7)

#### Forms 6 and 7 – Budget Summary and Budget Narrative Instructions

All applicants must complete the Subgrant Budget Proposal Excel Workbook including Form 6 – Budget Summary and Form 7 – Budget Narrative. The completed worksheets must be printed and submitted as part of the application submission package. The Subgrant Budget Proposal Excel Workbook is available for download at the RFA web page.

Instructions for completing Forms 6 and 7 are included in the workbook. The budget must address the full term of the subgrant and be of sufficient size and scope to implement the objectives and activities.

#### Form 6 – Subgrant Budget Summary

The Form 6 – Budget Summary may not be modified and broken down further than the object codes provided (e.g., 1000, 2000, 3000, etc.). See Section 5.1 Allowable Use of Funds for additional information regarding allowable and non-allowable use of funds by subgrant type.

#### Form 7 – Subgrant Budget Narrative Instructions

The Form 7 – Budget Narrative must provide detailed descriptions of how the subgrant funds will be expended, including how they will support actions and activities identified in the narrative response and Form 4 – Subgrant Project Goals.

The Budget Narrative must include a breakdown of expenses including per unit costs, quantity, and justification for the expense. Salaries and benefits must detail who is being paid, cost per unit, and how many units are to be paid. Salaries are limited to teachers, school leaders, and instructional support personnel as defined in Section 5.1 Allowable Use of Funds, and detailed descriptions of staff activities should be included in the Budget Narrative to justify expenses.

Example: School Principal – Salary $20,000 - $5,000 per month for four months to set up new school including hiring staff, recruiting, board meetings, and equipment purchases.

* The Form 7 – Budget Narrative must be grouped by object code series (e.g., 1000, 2000, 3000, etc.).
* The Form 7 – Budget Narrative must include totals by object code series, year, and term of Subgrant.

**IMPORTANT: Be sure that the charter school name appears on all pages.**

## Attachment Instructions

### Attachment A: Verification of SAM Registration

Provide documentation of active registration in the [System of Award Management (SAM) (External Link)](https://www.sam.gov/SAM/).

### Attachment B: STD. 204 Payee Data Record

The State of California, Department of Finance Payee Data Record (STD. 204) must be fully completed, signed, and dated with an original signature on the form included with the electronic Subgrant application. The Payee Data Record form can be downloaded at the [State of California’s Department of General Services web page](https://www.dgs.ca.gov/PD/Resources/SCM/TOC/19/19-01-4). Enter “Payee Data Record” in the search box to download an accessible PDF form.

### Attachment C: Evidence of Authorizer Notification

Provide evidence that the charter school has notified their authorizer of their intent to apply for a PCSGP Start-Up Subgrant.

### Attachment D: Governing Board Member Resumes

Include complete resumes for all governing board members identified in the application.

### Attachment E: Articles of Incorporation

Provide the school’s signed, dated articles of incorporation in full. Evidence of submission of Articles of Incorporation to Secretary of State is not sufficient.

### Attachment F: Governing Board By-Laws

Provide the school’s signed, dated governing board by-laws in full.

### Attachment G: Replication/Expansion Applicants Only – High-Quality Assurances

In order to meet requirements under 20 U.S.C. Section 7221i(8)(B), Replication and Expansion applicants must provide an assurance from the charter administrator on school letterhead that the charter school that the school has had no significant issues in the areas of student safety, financial and operational management, or statutory or regulatory compliance in the past 3 years and that the school has provided CDE with all official communications from its authorizer (e.g. notices of concern, notices to cure, notices of violation, intent to revoke, etc.).

### Attachment H: Management Organization Contracts

Each applicant school must provide a contract or description of a contract for each management organization with which it is affiliated including all CMOs, EMOs, and ESPs identified on Form 2. The applicant must ensure that the governing board of the charter school:

* + - 1. Retains control over funds and operations
      2. Does not cede operational authority to a management organization
      3. Does not cede fiscal authority to a management organization

Any school which does not adequately ensure the above with each management organization with which it is affiliated may not be eligible for PCSGP funding.

### Attachment I: Lottery Assurances

See Section 2.1.2 Public Random Drawing and Lottery. If the school’s authorizer-approved enrollment preferences, lottery exemptions, or weighted lottery include categories which are not currently allowable under PCSGP requirements, provide the following assurance and information on the charter school’s letterhead, signed by the charter school administrator:

*[Name of charter school] will implement only enrollment preference, lottery exemption, and weighted lottery categories that are compliant with CSP statute, Nonregulatory Guidance, and additional categories approved by the U.S. Department of Education for the term of the PCSGP subgrant.*

### Attachment J: Charter Petition and Authorizing Board Approval

If the charter school has an approved charter petition but does not yet have an assigned SBE Charter School Number, the applicant must include its charter petition in full and evidence it was approved an open public meeting by approval by an authorizing school district or county board of education.

## Appendix A: Definitions of PCSGP Terms

**Approved Charter:** A charter petition that has been approved by an authorizing agency for a public school in California. Approval must be reflected in formal minutes of the authorizing agency to document the approval of the charter petition.

**Attendance Area of a School:** A locally determined geographic designation that establishes boundaries for school enrollment.

* For the purposes of the CSP grant and in accordance with the ESEA Section 1113:
  1. The term ‘school attendance area' means, in relation to a particular school, the geographical area in which the children who are normally served by that school reside; and
  2. The term ‘eligible school attendance area' means a school attendance area in which the percentage of children from low-income families is at least as high as the percentage of children from low-income families served by the local educational agency as a whole.
  3. All eligible applicants must meet all physical location requirements under   
     AB 1505, 1507, and *Anderson Union High School District v Shasta Secondary Home School* decision.

**Authorizing Agency:** A California school district, county office of education (COE), or the State Board of Education (SBE) that has approved a charter petition, directly or on appeal.

**Charter Developer:** An individual or group of individuals (including a public or private nonprofit organization), which may include teachers, administrators and other school staff, parents, or other members of the local community in which a charter school project will be carried out (ESEA Section 4310[5]).

**Charter Management Organization (CMO):** Charter management organization means a nonprofit organization that operates or manages a network of charter schools linked by centralized support, operations, and oversight (ESEA Section 4310[3] and *EC* Section 47604).

**Charter School:** A public school that provides instruction in any grades transitional kindergarten through twelve and is approved by an authorized public chartering agency as a charter school under the provisions of the federal ESEA Section 4310(2) and the *EC* Section 47600 et. seq.

**Charter Schools Program (CSP):** A United States Department of Education administered discretionary grant program. Awarded states distribute subgrants to charter school developers to assist in the development and initial operations of newly established or conversion charter schools.

**Classroom-based:** A program that requires pupils to be engaged in educational activities under the immediate supervision and control of an employee of the charter school who possesses a valid teaching certification. (Also referred to as site-based.) See *EC* Section 47612.5(e)(1).

**Conflict of Interest:** Charter school and nonprofit public benefit corporation board members are regarded as governmental representatives and as such are subject to provisions of the Fair Political Practices Act and federal regulations found in 34 *Code of Federal Regulations* (*CFR*) Section 75.525.

**Continuing Charter School:** A charter school that the California Department of Education (CDE) has deemed to have met the requirements of *EC* Section 47653.

**Conversion School:** A traditional public school that converts to charter status under the processes established in *EC* Section 47605.

**County District School (CDS) Code:** The CDS (County-District-School) code system is an administrative convenience designed to provide the CDE, the Department of Finance, and postsecondary institutions with a basis for tracking schools. This 14-digit code is the official, unique identification of a school within California. The first two digits identify the county, the next five digits identify the school district, and the last seven digits identify the school.

**Direct Funded:** A funding designation under *EC* Section 47651 in which a charter school receives funds and applies for grants independently from the school’s chartering authority. A charter school annually selects its funding status via the Charter School Annual Information Update distributed by the CDE. (Also, see **Locally Funded**.)

**ED:** The U.S. Department of Education.

**Educationally Disadvantaged Students (EDS):** A student in one or more of the categories described in section 1115(c)(2) of the ESEA, which include children who are economically disadvantaged, children with disabilities, migrant students, English learners, neglected or delinquent students, homeless students, and students who are in foster care (2022 CSP Notice of Final Priorities).

* Economically disadvantaged pupils (EC Section 54026, ESEA Section 1115[c][2])
* Children with disabilities or “individuals with exceptional needs” (*EC* Section 56026, ESEA Section 8101[4])
* Migrant students (*EC* Section 54441[a], ESEA Section 1115[c][2][C])
* English learners (*EC* Section 52163[m], ESEA Section 8101(20))
* Neglected or delinquent students (ESEA Section 1115[c][2][E])
* Homeless students (*EC* Section 48850, ESEA Section 1115[c][2][E])
* Students who are in foster care (*EC* Section 48853.5)

**Education Management Organization (EMO):** A for-profit entity that operates or manages a network of charter schools (either through a contract or as the charter holder) linked by centralized support, operations, and oversight.

**Elementary and Secondary Education Act (ESEA):** The Elementary and Secondary Education Act of 1965. ESEA is the primary federal legislation for primary (elementary) and secondary education in the United States.

**Every Student Succeeds Act (ESSA):** The Every Student Succeeds Act was signed into law on December 10, 2015, and reauthorized the ESEA.

**Expand:** The term “Expand,” when used with respect to a high-quality charter school, means to significantly increase enrollment or add one or more grades to the high-quality charter school.

**Grant Award Notification (GAN):** A legally binding document between the CDE and the grantee or subgrantee for purposes of this Request for Applications (RFA) and the Public Charter Schools Grant Program (PCSGP). An official document signed by an authorized official stating the amount, terms, and conditions of the subgrant award.

**Grantee:** For the purposes of this RFA and the PCSGP, the CDE is the “grantee.”

**Implementation Phase:** A period of time between when the subgrant recipient’s school begins serving students and the end of the subgrant period. If the school is operational and serving students at the time of award, then it starts the subgrant period in the implementation phase.

**High-Quality Charter School:** See RFA Section 2.2.3 Definition of a High-Quality Charter School.

**Local Educational Agency (LEA):** A COE, school district, state special school, or direct-funded charter school as described in *EC* Section 47651.

**Locally Funded:** A funding designation under *EC* Section 47651 that provides funding for a charter school through the school’s chartering authority, or other LEA. A charter school annually selects its funding status via the Charter School Annual Information Update distributed by the CDE. (Also, see **Direct Funded**.)

**Lottery**: See Public Random Drawing.

**Management Organization:** A management organization may be a CMO, EMO, Single Management (non-profit), or Single Management (for-profit).

**Newly Established Charter School:** For purposes of the PCSGP subgrant award, a newly established charter school is defined as:

A charter school that has not operated as a private school or under another SBE number, **and** has not operated as a charter school or nonclassroom resource center serving students prior to July 1 of the previous fiscal year.

**OR**

An existing traditional school that converts to a charter school.

*EC* Section 47602 disallows the conversion of private schools to charter schools.

Existing charter schools acquiring a new charter-authorizing agency are considered a continuing charter school and are not eligible for PCSGP funds. Charter schools that close and then reopen with a new charter number and CDS code are not eligible for PCSGP funds. Neither the merging of two schools nor the separating of one school results in establishing a new school.

Please note that if a school that previously received PCSGP funding closes and a new school opens in the same location, the latter must demonstrate autonomy from the previous school in order to be eligible for a PCSGP Start-Up Subgrant. Such autonomy is demonstrated by the following criteria:

1. New primary applicant and nonprofit agency
2. New approved charter petition
3. New governing authority
4. New administration
5. Different educational program
6. New teachers and staff

**Nonclassroom-Based:** A program that does not meet the requirements defined for a classroom-based program. (Also referred to as non-site based.) See *EC*   
Section 47612.5(e)(2).

**Non-Federal Entity:** A state, local government, Indian Tribe, institution of higher education (IHE) or nonprofit organization that carries out a Federal award as a recipient or sub-recipient.

**Pass-through entity:** A non-Federal entity that provides a sub-award to a sub-recipient to carry out part of a federal program.

**Planning Phase:** For new charter schools not yet serving students, the planning phase ends on the day prior to the first day of instruction (including summer school programs). The planning phase may not exceed 18 months.

**Primary Applicant**: (Formerly: Authorized Agent) The president of the board of directors of the nonprofit entity, an executive officer, or lead petitioner. The primary applicant must verify and sign all official documents related to the subgrant award.

**Procurement:** Any formal requisition process used to acquire goods and services that may involve the use of purchase orders, invoices, contracts, and approvals by any level of hierarchy at the grantee’s agency. Numerous requirements apply to procurements funded by PCSGP funds; please see Appendix B: Procurement for additional information.

**Public Charter Schools Grant Program (PCSGP):** A federal discretionary grant program administered by the CDE. The CDE distributes subgrants to charter school developers to assist in the development and initial operations of newly established or conversion charter schools.

**Public Random Drawing (Lottery):** A random selection process used to admit applicants to a charter school when the number of applicants exceeds a school’s enrollment capacity. 20 U.S.C. 7221i(1)(H). See Section 2.1.2 Public Random Drawing and Lottery.

The CDE may review each applicant's approved charter to ensure that it complies with applicable federal and state public random drawing (lottery) laws, including ESEA sections 4303(c) and 4310(H). Admission preferences and recruitment plans shall not create an attendance barrier for students seeking enrollment at the charter school, and may not discriminate against students of a particular race, color, national origin (including English language learners), religion, or sex, or against students with disabilities.

Locally and SBE-authorized charter schools must comply with California *Education Code* (*EC)* sections 47605(e)(2)(A) and 47605(e)(2)(B) which state:

*EC* Section 47605(e)(2)(A)–A charter school shall admit all pupils who wish to attend the school; and

*EC* Section 47605(e)(2)(B)–If the number of pupils who wish to attend the charter school exceeds the charter school’s capacity, attendance, except for existing pupils of the charter school, shall be determined by a public random drawing. Preference shall be extended to pupils currently attending the charter school and pupils who reside in the school district except as provided for in *EC* Section 47614.5. Preferences, including, but not limited to, siblings of pupils admitted or attending the charter school and children of the charter school’s teachers, staff, and founders identified in the initial charter, may also be permitted by the chartering authority on an individual charter school basis. Priority order for any preference shall be determined in the charter petition in accordance with all of the following:

1. Each type of preference shall be approved by the chartering authority at a public hearing.
2. Preferences shall be consistent with federal law, the California Constitution, and Section 200.
3. Preferences shall not result in limiting enrollment access for pupils with disabilities, academically low-achieving pupils, English learners, neglected or delinquent pupils, homeless pupils, or pupils who are economically disadvantaged, as determined by eligibility for any free or reduced-price meal program, foster youth, or pupils based on nationality, race, ethnicity, or sexual orientation.
4. In accordance with *EC* Section 49011, preferences shall not require mandatory parental volunteer as a criterion for admission or continued enrollment.

Charter schools authorized as a countywide benefit charter must comply with *EC* Section 47605.6(e)(2)(A) and *EC* Section 47605.6(e)(2)(B) which state:

*EC* Section 47605.6(e)(2)(A)–A charter school shall admit all pupils who wish to attend the school; and

*EC* Section 47605.6(e)(2)(B)–However, if the number of pupils who wish to attend the charter school exceeds the school’s capacity, attendance, except for existing pupils of the charter school, shall be determined by a public random drawing. Preference shall be extended to pupils currently attending the charter school and pupils who reside in the county except as provided for in Section 47614.5. Other preferences may be permitted by the chartering authority on an individual charter school basis and only if consistent with the law.

Applicants must comply with *EC* Section 49700, which provides for the timely enrollment of children of military families and ensuring that they are not placed at a disadvantage due to difficulty in the transfer of educational records or various entrance/age requirements.

In addition to descriptions provided through the PCSGP application and charter petition, PCSGP subgrantees will report the timeline, process, and procedures for the random public drawing (lottery) implementation each year during Annual Performance Reporting.

A charter school receiving CSP funds may not create separate lottery pools for girls and boys. Subgrantees must hold one lottery that provides qualified students with an equal opportunity to attend the school. Therefore, a charter school receiving funds under the program is precluded from holding separate lotteries for boys and girls. Nor may a school weight its lottery in favor of one gender over another. A school seeking to increase participation of one gender should do so by targeting additional recruitment efforts toward that gender. 20 U.S.C. 7221b(b)(3)(I) and 7221i(1)(H). CSP Nonregulatory Guidance (January 2014).

Enrollment preferences, lottery exemptions, and weighted lottery categories utilized by the school during its subgrant term must meet all requirements under EC sections 47605(e)(2)(B) or 47605.6(e)(2)(B) and, as such, must be consistent with federal law, the California Constitution, and EC Section 200. Weighted lottery preferences and procedures must be consistent with the Age Discrimination Act of 1975, Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, Section 444 of the General Education Provisions Act, Part B of the Individuals with Disabilities Education Act, and all CSP Nonregulatory Guidance.

**Replicate:** The term “Replicate,” when used with respect to a high-quality charter school, means to open a new charter school, or new campus of a high-quality charter school, based on the educational model of an existing high-quality charter school, under an existing charter or an additional charter. (ESEA Section 4310(9))

**Secondary school or students**: A school that is composed of any combination of seventh through twelfth grades. A secondary student is any student enrolled in grades seven through twelve.

**Single Audit:** All non-Federal entities expending $1,000,000 or more in **combined** federal funds (e.g., PCSGP and Title I funds, or American Recovery and Reinvestment Act [ARRA] funds) in a single year are required by federal law to obtain and submit a Single Audit to the Federal Audit Clearinghouse. PCSGP recipients required to file federal Single Audits must submit a copy of the reporting package to the CDE Charter Schools Division as a PCSGP performance benchmark. Further information may be found in the [electronic *Code of Federal Regulations* (External Link)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.320).

Subgrantees will access the [Federal Audit Clearinghouse (External Link)](https://facweb.census.gov/uploadpdf.aspx) to submit their Single Audit.

**Single Management (non-profit):** A non-profit organization that is not a CMO or EMO and that provides management services to one charter school.

**Single Management (for-profit):** a for-profit entity that is not a CMO or EMO and that provides management services to one charter school.

**State Educational Agency (SEA):** For the purposes of this RFA, the SEA is the SBE.

**Subgrantee:** For the purposes of this RFA, subgrantees are charter schools awarded a PCSGP Start-Up Subgrant.

**Sub-Recipient:** A non-Federal entity that receives a sub-award from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program.

**Unique Entity Identifier (UEI):** Required in accordance with 2 *CFR* Part 25 when applying for, or receiving, federal awards. The UEI is the new 12-digit alphanumeric identifier that will be provided by SAM registration to all entities who register to do business with the federal government. UEI is the identifier which is replacing the use of the DUNS beginning April 4, 2022. Additional information regarding the transition to UEI can be found at [SAM website](https://sam.gov/).

**Virtual or Online Charter:** A charter school in which at least 80 percent of teaching and student interaction occurs via the internet.

**Weighted Lotteries:** Weighted lotteries (i.e., lotteries that give additional weight to individual students who are identified as part of a specified set of students, but do not reserve or set aside seats for individual students or sets of students) are permitted only in certain circumstances. CSP Nonregulatory Guidance (January 2014).

California state law does not prohibit weighted lotteries, as described in CSP Nonregulatory Guidance (January 2014). This weight may only provide a slightly better chance of admission, state law does not provide a cap on the percentage of available seats that may be offered via a weighted lottery algorithm. Under this RFA, PCSGP subgrantees may not implement weighted lottery categories without prior approval by the U.S. Department of Education.

## Appendix B: Procurement

All Public Charter Schools Grant Program (PCSGP) Start-Up subgrantees are required to develop and maintain a system for the administration of the procurement of goods and services acquired with federal funds. This requirement is provided for in the following passage from the *Code of Federal Regulations* (*CFR*) [Uniform Grant Guidance (External Link)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.320).

Please note that a PCSGP subgrantee is referred to as the “sub-recipient” or the “non-Federal entity” for the purpose of the General Procurement Standards (2 *CFR* 200.318(a-d)):

1. The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part.
2. Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
3. (1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

(2) If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest mean that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

### Purpose

The purpose of procurement regulations is to encourage best practices in the use of federal funds to acquire products and services, while maintaining the public’s trust. Best practices fulfill policy objectives while promoting transparency, accountability, effective management, and competition.

### Definition

Procurement refers to the practice of requisition, or the formal demand for goods and services. This includes, but is not limited to, the use of purchase orders, invoices, and the preparation of contracts, each of which is reviewed for approval at various levels of hierarchy within an agency.

Procurement does not include small purchases that typically would not be reviewed by any system of hierarchy for approval. However, the lack of an organized procurement system does not exempt your organization from requirements tied to purchases that would otherwise be considered procurement.

The following is an example of procurement: a school purchases a large quantity of textbooks through the submission of a purchase order and subsequent receipt of an invoice, both of which are reviewed and approved by the school’s Contracting Officer.

The following is not an example of procurement: an administrator uses a petty cash fund to purchase lunch for a group of teachers at a professional development seminar.

### Requirements

In order to comply with regulations, sub-recipients must:

* Develop and maintain on-file, conflict of interest policies for all employees;
* Develop and maintain on-file, procedures for protest and dispute resolution;
* Understand and follow the Methods of Procurement, defined by the Uniform Grant Guidance [2 CFR 200.320 (External Link)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.320); and
* Understand and comply with Standard Procurement Procedures.

If the sub-recipient fails to comply with these requirements in procuring a good or service, the expense may be prohibited and the CDE may invoice the sub-recipient for any funds allocated to the expense.

Each of these requirements will be described in detail below.

#### Written Conflict of Interest Policies

Written conflict of interest policies, at a minimum, must address the criteria below (verification that a sub-recipient has established these policies may be requested at any time by CDE staff):

No employee, officer, or agent shall participate in the selection of, award of, or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

* The employee, officer, or agent, any member of his or her immediate family, his or her partner, or
* An organization, which employs, or is about to employ any of the above has a financial or other interest in the firm selected for award.

The officers, employees, or agents of the sub-recipient will neither solicit, nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-agreements. Sub-recipients may set minimum rules where the financial interest is not substantial, or the gift is an unsolicited item of nominal intrinsic value.

To the extent permitted by state or local law or regulations, such standards of conduct will provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents, of the sub-recipient.

If the sub-recipient has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian Tribe, the sub-recipient must also maintain written standards of conduct covering organizational conflict of interest.

The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the sub-recipient.

The sub-recipient or applicant for a federal award must disclose, in a timely manner, in writing to the Federal awarding agency or pass-through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures can result in any of the remedies described in [2 CFR 200.113 (External Link)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-B/section-200.113).

#### Procedures for Protests and Disputes

The sub-recipient alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims.

Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction.

#### Methods of Procurement

Every action of procurement must fall within one of three defined methods of procurement. The methods are:

* Procurement by micro-purchases
* Procurement by small purchases
* Procurement by sealed bids

Each will be described in greater detail below.

For any method of procurement, time, and material type contracts are only permissible after determination and documentation that no other contract is suitable, and the contract must include a ceiling price that the contractor exceeds at its own risk.

##### Micro-purchase

Procurement by micro-purchase is the acquisition of supplies or services, where the aggregate dollar amount of which does not exceed $10,000. Micro-purchases may be awarded without soliciting competitive quotations if the sub-recipient considers the price to be reasonable per [2 CFR 200.320 (External Link)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200#200.320).

##### Small Purchases

Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that does not cost more than the Simplified Acquisition Threshold ($10,000–$250,000). If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

##### Sealed Bids

Procurement by sealed bids requires publicly solicited bids, and the firm fixed price contract awarded is the lowest in price.

An invitation for bids is prepared and is used to publicly solicit two or more known vendors or contractors. The invitation for bids must include a comprehensive description for the goods or services desired, and stipulate a time and place when all bids will be publicly opened. Potential bidders must be given sufficient time to prepare a response prior to the opening of bids.

A fixed price written contract is awarded to the bidder whose bid is the lowest in price and meets all conditions of the invitation for bids. Any or all bids may be rejected if there is a sound, documented reason.

#### Standard Procurement Procedures

For any procurement method used above, sub-recipients should establish and adhere to a standard set of procedures for processing procurements. Any procedures established by the sub-recipient must incorporate key items from federal regulations, which are summarized in the sections below. The sections include:

* Maintain Records
* Define the Goods and Services
* Pre-Bid/Proposal Review and Analysis
* Establish Criteria for Vendors/Contractors
  + Suspended and Debarred Parties
* Cost/Price Analysis during Bidding and Proposals
* Required Contract Provisions
  + Bonding Requirements for Construction of Facility Improvement

##### Maintain Records

In addition to standards and policies, sub-recipients are required to document specific actions for any procurement. These specific actions include, but may not be limited to:

* Rationale for the method of procurement
* Selection of contract type
* Selection or rejection of a contractor/vendor, and supporting rationale
* Basis for a contract price

To ensure compliance with regulations, it is best to document each of these actions as they occur within any given instance of procurement.

##### Pre-Bid/Proposal Review and Analysis

Before a sub-recipient may solicit bids or proposals, or make small purchases, the sub-recipient must perform the following analysis for all procurements:

* Review proposed procurements to avoid unnecessary or duplicative items
* Provide consideration for consolidating or breaking out procurements to obtain a more economical purchase
* Analyze options for lease versus purchase where appropriate
* Conduct any other appropriate analysis to determine the most economical approach
* Generate and document independent estimates for the price of proposed procurements

##### Establish Criteria for Contractors/Vendors

Before moving forward with small purchases, proposals, or bids, the sub-recipient should establish criteria for potential contractors and vendors. This may include drafting a list of potential bidders in preparation of an invitation for bids. Contractors/Vendors should possess the ability to perform successfully under the terms and conditions of a proposed procurement. In drafting criteria, the sub-recipient must consider the contractor/vendor’s:

* Integrity
* Compliance with public policy
* Record of past performance
* Financial and technical capacity

Any list of potential contractors/vendors that is generated must be current and include enough qualified sources to ensure maximum open and free competition. Sub-recipients are prohibited from placing unreasonable requirements on potential contractors/vendors that would restrict full and open competition.

Qualified sources should also include small, minority, or women’s business enterprises, or labor surplus area firms whenever possible. For more information on obligations regarding contracts with small, minority, women’s business enterprises, or labor surplus area firms, please see the relevant section below.

Qualified sources may include faith-based organizations. For more information on obligations regarding contracts please refer to the [Uniform Grant Guidance (External Link)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR8feb98c2e3e5ad2/section-200.313).

##### Suspended and Debarred Parties

The provisions of [2 CFR Part 180 (External Link)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-I/part-180?toc=1) restrict Federal awards, sub-awards and contracts with certain parties that are debarred, suspended or otherwise excluded from or ineligible for participation in Federal programs or activities.

Non-Federal entities, which include sub-recipients, may not solicit goods or services from any party that is debarred or suspended or is otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, “Debarment and Suspension.”

Non-Federal entities, which include sub-recipients, are required to vet any potential contractor for suspension or debarment before a contract is awarded or goods and services are exchanged. A list of suspended and debarred parties may be accessed through the [SAM Exclusions web page (External Link)](https://sam.gov/content/exclusions).

##### Cost/Price Analysis During Bidding and Proposals

Sub-recipients are required to conduct cost or price analysis for every procurement action. The type and degree of analysis will vary depending on the situation; at a minimum, the following analyses are required:

* Sub-recipients must make independent estimates before receiving bids or proposals for all types of procurement.
* A cost analysis must be performed when the potential contractor/vendor is required to submit the elements of his or her estimated cost, such as under an architectural engineering services contract.
* A cost analysis must be performed when adequate price competition is lacking, and for sole-source procurements (including noncompetitive proposals).
* A cost analysis must be performed for contract modifications or change orders, unless price reasonableness can be established on the basis of catalog or market price of a product sold in substantial quantities to the general public, or based on prices set by law or regulation.
* A price analysis will be used in all other instances to determine the reasonableness of the proposed contract price.

##### Required Contract Provisions

All contracts funded by the grant must include the provisions listed below, if the indicated condition is applicable. Federal agencies are permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy.

* For time and material type contracts–A ceiling price that the contractor exceeds at its own risk.
* For all contracts–Notice of CDE requirements pertaining to reporting.
* For all contracts–Retention of all required records for five years after sub-recipients make final payments and all other pending matters are closed.
* For all contracts–Access by the CDE, the Federal Department of Education, the Comptroller General of the United States, or any of their duly authorized CDE Representatives’ access to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
* For all contracts–Mandatory standards and policies relating to energy efficiency, which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Public Law 94–163, 89 Statute 871).
* For contracts that exceed the simplified acquisition threshold of $250,000, administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.
* For all contracts in excess of $250,000–Compliance with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 United States Code [U.S.C.] 1857[h]), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 *CFR* part 15).
* For contracts in excess of $10,000–Termination for cause and for convenience by the grantee including the manner by which it will be affected and the basis for settlement.

##### Contracting

*Contracting with Small, Minority, Women’s Business Enterprises, and Labor Surplus Area Firms*

Whenever possible, sub-recipients will solicit goods and services from small, minority, or women’s business enterprises, or labor surplus area firms. This may be accomplished by placing qualified small, minority, and women’s business enterprises on solicitation lists, and soliciting those businesses whenever they are potential sources. The following conditions apply:

* Sub-recipients must still comply with procurement procedures, including the use of appropriate bidding and selection processes and providing for ample competition as required by law.
* Although sub-recipients should still give consideration to a vendor’s technical and financial capacity, sub-recipients should also divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small, minority and women’s business enterprises. The sub-recipients may not use this to bypass the small purchase threshold.
* It is permissible to document preference for small, minority, or women’s business enterprises as justification for selecting a vendor or contractor that does not provide the lowest-cost goods or services.
* If subcontracts are to be let, sub-recipients must require the prime contractor to take the affirmative steps listed above.

PCSGP subgrantees are “non-Federal entities” for the purposes of the following regulations. For more information on obligations regarding Equipment and Supplies, please refer to the [Uniform Grant Guidance (External Link)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR8feb98c2e3e5ad2/section-200.313).

Non-Federal entities are encouraged to use the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce for assistance in seeking out small and minority businesses.

## Appendix C: Equipment and Supplies Standards

All PCSGP subgrant recipients must follow federal regulations when purchasing, using, and disposing of subgrant project equipment and supplies.

* “Equipment” is defined as tangible, non-expendable, personal property (including information technology systems) having a useful life of more than one year and an acquisition cost of $10,000 or more per unit.
* “Supplies” means all tangible personal property other than those described in Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the sub-recipient for financial statement purposes or $10,000, regardless of the length of its useful life.

### Equipment

A requirement of the CDE’s PCSGP grant monitoring program is to verify that the equipment and related records of grant recipients are following federal regulations included in [2 CFR 200.313 (External Link)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR8feb98c2e3e5ad2/section-200.313).

1. Title: Subject to the obligations and conditions set forth in this section, title to equipment acquired under a grant or subgrant will vest upon acquisition in the non-Federal entity respectively.
2. States: A State will use, manage, and dispose of equipment acquired under a grant by the State in accordance with State laws and procedures. Other non-Federal entities will follow paragraphs (c) through (e) of this section.
3. Use:
   1. Equipment shall be used by the non-Federal entity in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by federal funds. When no longer needed for the original program or project, the equipment may be used in other activities currently or previously supported by a federal agency.
   2. The non-Federal entity shall also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, providing such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use shall be given to other programs or projects supported by the awarding agency.
   3. Notwithstanding the encouragement in 2 *CFR* 200.307 to earn program income, the non-Federal entity must not use equipment acquired with grant funds to provide services for a fee to compete unfairly with private companies that provide equivalent services, unless specifically permitted or contemplated by federal statute.
   4. When acquiring replacement equipment, the non-Federal entity may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property, subject to the approval of the awarding agency.
4. Management requirements: Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, until disposition takes place will, as a minimum, meet the following requirements:
   1. Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, cost of the property, percentage of federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
   2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
   3. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.
   4. Adequate maintenance procedures must be developed to keep the property in good condition.
   5. If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.
5. Disposition: When original or replacement equipment acquired under a grant or subgrant is no longer needed for the original project or program or for other activities currently or previously supported by a federal agency, disposition of the equipment will be made as follows:
   1. Items of equipment with a current per-unit fair market value of $10,000 or less may be retained, sold, or otherwise disposed of with no further obligation to the awarding agency.
   2. Except as provided in [2 CFR 200.312(b) (External Link)](https://www.ecfr.gov/current/title-2/section-200.312#p-200.312(b)), or if the Federal agency or pass-through entity fails to provide requested disposition instructions within 120 days, items of equipment with a current fair market value in excess of $10,000 (per-unit) may be retained or sold by the recipient or subrecipient. However, the Federal agency is entitled to an amount calculated by multiplying the percentage of the Federal agency's contribution towards the original purchase by the current market value or proceeds from the sale. If the equipment is sold, the Federal agency or pass-through entity may permit the recipient or subrecipient to retain, from the Federal share, $1,000 of the proceeds to cover expenses associated with the selling and handling of the equipment.
   3. The non-Federal entity may transfer title to the Federal Government or to an eligible third party, provided that the non-Federal entity is entitled to compensation for its attributable value of the property.
   4. In cases where a non-Federal entity fails to take appropriate disposition actions, the awarding agency may direct the non-Federal entity to take excess and disposition actions.
6. Federal equipment:
   1. In the event a non-Federal entity is provided federally-owned equipment:
      * + 1. Title will remain vested in the Federal Government.
          2. Non-Federal entities will manage the equipment in accordance with federal agency rules and procedures, and submit an annual inventory listing.
          3. When the equipment is no longer needed, the non-Federal entity will request disposition instructions from the federal agency.
7. Right to transfer title: The federal awarding agency may reserve the right to transfer title to the Federal Government or a third party named by the awarding agency when such a third party is otherwise eligible under existing statutes. Such transfers shall be subject to the following standards:
8. The property shall be identified in the grant or otherwise made known to the non-Federal entity in writing.
9. The federal awarding agency shall issue disposition instruction within 120 calendar days after the end of the federal support of the project for which it was acquired. If the federal awarding agency fails to issue disposition instructions within the 120 calendar-day period items of equipment with a fair-market value in excess of $5,000 may be retained by the non-Federal entity or sold.
10. When title to equipment is transferred, the non-Federal entity shall be paid an amount calculated by applying the percentage of participation in the purchase to the current fair market value of the property.
11. The provisions of paragraphs (c), (d), (e), and (g) of this section do not apply to disaster assistance under 20 United States Code (U.S.C.) 241–1(b)–(c) and the construction provisions of the Impact Aid Program, 20 U.S.C. 631–647.

### Supplies

A requirement of the CDE’s PCSGP grant monitoring program is to verify that the supplies and related records of grant recipients are following federal regulations included in [2 CFR 200.314 (External Link)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR8feb98c2e3e5ad2/section-200.314).

1. Title: Title to supplies acquired under a grant or subgrant will vest, upon acquisition, in the non-Federal entity respectively.
2. Disposition: If there is a residual inventory of unused supplies exceeding $10,000 in total aggregate fair market value upon termination or completion of the award, and if the supplies are not needed for any other federally sponsored programs or projects, the grantee or subgrantee shall compensate the awarding agency for its share.

For more information on obligations regarding Equipment and Supplies, please refer to the [Uniform Grant Guidance (External Link)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E/subject-group-ECFRed1f39f9b3d4e72/section-200.436).

## Appendix D: Financial Management Standards

PCSGP recipients are required to adhere to federal regulations when developing and using a financial management system to administer federal PCSGP funds. A requirement of the CDE’s grant-monitoring program is to verify that the financial management systems of subgrant recipients are in compliance with federal regulations.

PCSGP subgrantees are “non-Federal entities” for the purposes of the following regulations. For more information on obligations regarding financial management standards, please refer to the [Uniform Grant Guidance (External Link)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D).

### **Financial Management Regulations** ([2 CFR 200.302 (External Link)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D#200.302))

1. A State’s and other non-Federal entities financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the federal award, must be sufficient to:
   1. Permit preparation of reports required by this part and the statutes authorizing the grant, and
   2. Permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.
2. The financial management system of each State and other non-Federal entities must meet the standards for Retention Requirements for Records 2 *CFR* 200.334, Methods for Collection, Transmission and Storage of Information 2 *CFR* 200.335, Access to Records 2 *CFR* 200.336 and Restrictions on Public Access 2 *CFR* 200.337.
   1. Financial reporting. Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant.
   2. Accounting records. All non-Federal entities must maintain records, which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.
   3. Internal control. All non-Federal entities must establish and maintain effective internal control and accountability over the Federal award in compliance with federal statutes, regulations, and the terms and conditions of the Federal Award. All non-Federal entities must adequately safeguard all grant funds, personal property, and other assets and must assure that it is used solely for authorized purposes.
   4. Budget control. Actual expenditures or outlays must be compared with budgeted amounts for each grant or subgrant. Financial information must be related to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the grant or subgrant agreement. If unit cost data are required, estimates based on available documentation will be accepted whenever possible.
   5. Allowable cost. Applicable Office of Management and Budget (OMB) cost principles, agency program regulations, and the terms of grant and subgrant agreements will be followed in determining the reasonableness, allowability, and allocability of costs.
   6. Source documentation. Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents, etc.
   7. Cash management. For non-Federal entities other than States, payment methods must minimize the time elapsing between the transfer of funds from the U.S. Treasury or the pass-through entity and disbursement by the non-Federal entity whether the payment is made by electronic funds transfer or issuance or redemption of checks, warrants, or payment by other means.

For more information on obligations regarding payments, please refer to the [2 CFR 200.305 (External Link)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D#200.305).

An awarding agency may review the adequacy of the financial management system of any applicant for financial assistance as part of a pre-award review or at any time subsequent to award.

### **Federal Depreciation Regulations** ([2 CFR 200.436 (External Link)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E/subject-group-ECFRed1f39f9b3d4e72/section-200.436))

(a) Depreciation is the method for allocating the cost of fixed assets to periods benefitting from asset use. The non-Federal entity may be compensated for the use of its buildings, capital improvements, equipment, and software projects capitalized in accordance with GAAP, provided that they are used, needed in the non-Federal entity's activities, and properly allocated to Federal awards. Such compensation must be made by computing depreciation.

(b) The allocation for depreciation must be made in accordance with Appendices III through IX.

(c) Depreciation is computed applying the following rules. The computation of depreciation must be based on the acquisition cost of the assets involved. For an asset donated to the non-Federal entity by a third party, its fair market value at the time of the donation must be considered as the acquisition cost. Such assets may be depreciated or claimed as matching but not both. For the computation of depreciation, the acquisition cost will exclude:

(1) The cost of land;

(2) Any portion of the cost of buildings and equipment borne by or donated by the Federal Government, irrespective of where title was originally vested or where it is presently located;

(3) Any portion of the cost of buildings and equipment contributed by or for the non-Federal entity that are already claimed as matching or where law or agreement prohibits recovery;

(4) Any asset acquired solely for the performance of a non-Federal award; and

(d) When computing depreciation charges, the following must be observed:

(1) The period of useful service or useful life established in each case for usable capital assets must take into consideration such factors as type of construction, nature of the equipment, technological developments in the particular area, historical data, and the renewal and replacement policies followed for the individual items or classes of assets involved.

(2) The depreciation method used to charge the cost of an asset (or group of assets) to accounting periods must reflect the pattern of consumption of the asset during its useful life. In the absence of clear evidence indicating that the expected consumption of the asset will be significantly greater in the early portions than in the later portions of its useful life, the straight-line method must be presumed to be the appropriate method. Depreciation methods once used may not be changed unless approved in advance by the cognizant agency. The depreciation methods used to calculate the depreciation amounts for indirect (F&A) rate purposes must be the same methods used by the non-Federal entity for its financial statements.

(3) The entire building, including the shell and all components, may be treated as a single asset and depreciated over a single useful life. A building may also be divided into multiple components. Each component item may then be depreciated over its estimated useful life. The building components must be grouped into three general components of a building: building shell (including construction and design costs), building services systems (e.g., elevators, HVAC, plumbing system and heating and air-conditioning system) and fixed equipment (e.g., sterilizers, casework, fume hoods, cold rooms and glassware/washers). In exceptional cases, a cognizant agency may authorize a non-Federal entity to use more than these three groupings. When a non-Federal entity elects to depreciate its buildings by its components, the same depreciation methods must be used for indirect (F&A) purposes and financial statements purposes, as described at the [2 CFR 200.436(d)(1) (External Link)](https://www.ecfr.gov/current/title-2/section-200.436#p-200.436(d)(1)) and [2 CFR 200.436(d)(2) (External Link)](https://www.ecfr.gov/current/title-2/section-200.436#p-200.436(d)(2)) of this section.

(4) No depreciation may be allowed on any assets that have outlived their depreciable lives.

(5) Where the depreciation method is introduced to replace the use allowance method, depreciation must be computed as if the asset had been depreciated over its entire life (i.e., from the date the asset was acquired and ready for use to the date of disposal or withdrawal from service). The total amount of use allowance and depreciation for an asset (including imputed depreciation applicable to periods prior to the conversion from the use allowance method as well as depreciation after the conversion) may not exceed the total acquisition cost of the asset.

(e) Charges for depreciation must be supported by adequate property records, and physical inventories must be taken at least once every two years to ensure that the assets exist and are usable, used, and needed. Statistical sampling techniques may be used in taking these inventories. In addition, adequate depreciation records showing the amount of depreciation must be maintained.

## Appendix E: Federal CSP Resources

### Federal Charter School Programs

* [Federal Charter School Programs Web Page (External Link)](https://www.ed.gov/grants-and-programs/grants-birth-grade-12/charter-school-programs)

### System for Award Management (SAM)

* [SAM.gov web page (External Link)](https://www.sam.gov/)

### Legislation

* [Title IV, Part C of the Elementary and Secondary Education Act of 1965, as amended by the Every Student Succeeds Act (ESSA), Section 4301 - 4311 (20 U.S.C. 7221-7221j) (External Link)](https://www.ed.gov/sites/ed/files/2019/11/Statute-for-website.pdf).
* [Charter School Program Assurances Grants to State Entities (External Link)](https://www.ed.gov/sites/ed/files/2019/11/2018-State-Entity-Charter-Schools-Program-Assurances-FINAL.doc)

### Regulations

* [2022 Final Priorities, Requirements, Definitions, and Selection Criteria-Expanding Opportunity Through Quality Charter Schools Program (CSP)-Grants to State Entities (State Entity Grants); Grants to Charter Management Organizations for the Replication and Expansion of High-Quality Charter Schools (CMO Grants); and Grants to Charter School Developers for the Opening of New Charter Schools and for the Replication and Expansion of High-Quality Charter Schools (Developer Grants) (External Link)](https://www.govinfo.gov/content/pkg/FR-2022-07-06/pdf/2022-14445.pdf)
* [2015 Notice of Final Priorities, Requirements, Definitions, and Selection Criteria; Charter Schools Program Grants to State Educational Agencies (External Link)](http://www.gpo.gov/fdsys/pkg/FR-2015-06-15/pdf/2015-14391.pdf)
* [Education Department General Administrative Regulations (External Link)](http://www2.ed.gov/policy/fund/reg/edgarReg/edgar.html)
* [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (External Link)](http://www.ecfr.gov/cgi-bin/text-idx?SID=6214841a79953f26c5c230d72d6b70a1&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)
* [Uniform Guidance Technical Assistance for Grantees (External Link)](http://www2.ed.gov/policy/fund/guid/uniform-guidance/index.html)

### Guidance

#### Nonregulatory Guidance

* [ESSA Flexibility Frequently Asked Questions (FAQ) (December 2017) (External Link)](https://www.ed.gov/sites/ed/files/2019/11/CSP-ESSA-Flexibilities-FAQ-2017.pdf)
* [ESSA Flexibility Webinar (External Link)](https://www.ed.gov/sites/ed/files/2019/11/ESSA-DCL-Webinar-Slides-11.17.17-1.pdf)
* [Dear Colleague Letter — ESSA flexibilities for CSP Grantees (November 2017) (External Link)](https://www.ed.gov/sites/ed/files/2019/11/CSP-DCL-1.pdf)
* [Dear Colleague Letter — Guidance Regarding the Oversight of Charter Schools Program and Regulatory Requirements, Including the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (August 2016) (External Link)](https://www.ed.gov/sites/ed/files/2019/11/CSP-Letter-to-SEA-on-Uniform-Guidance-FINAL-08.04.2016.pdf)
* [Charter Schools Program Nonregulatory Guidance (updated January 2014) (External Link)](https://www.ed.gov/sites/ed/files/2024/03/fy14cspnonregguidance.pdf)
* [School Climate and Discipline Resources (External Link)](http://www2.ed.gov/policy/gen/guid/school-discipline/index.html)
* [Allocating Funds to Charter Schools (December 2000) (External Link)](https://www.ed.gov/sites/ed/files/policy/elsec/guid/cschools/cguidedec2000.pdf)

#### Application Guidance

* [2024 Notice Inviting Applications - State Entity Grant (External Link)](https://www.ed.gov/media/document/fy-2024-se-nia-107926.pdf)

## Appendix F: PCSGP Resources

### Public Random Drawing

* [Public Random Drawing, *EC* Section 47605 (External Link)](https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=EDC&sectionNum=47605)

### Request for Applications (RFA) Information

* [CDE General Assurances and Certifications](https://www.cde.ca.gov/fg/fo/fm/ff.asp)

* [PCSGP Web Page](https://www.cde.ca.gov/sp/ch/pcsgp.asp)

### Finance and Accounting

* [*California School Accounting Manual* (*CSAM*)](http://www.cde.ca.gov/fg/ac/sa/)

### Travel Reimbursements

* [California Department of Human Resources Travel Reimbursements](https://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx)