



National Alliance for Public Charter Schools

Key Items Included in FY2010 Appropriations Conference Agreement

Wednesday, December 09, 2009

Labor, Health and Human Services, Education, and Related Agencies Bill:

- **\$256 million was appropriated for the federal charter school programs, the highest amount ever appropriated and a \$40 million increase over FY2009.** The total includes \$50 million that can be directly competed by the U.S. Department of Education to CMOS and other non-profit entities in order to support the replication and expansion of **successful**¹ charter models; over \$23 million to support the Credit Enhancement for Charter School Facilities Program and the State Facilities Incentive Grants; and up to \$10 million dollars to support National Activities grants to further develop a sound infrastructure of support for high quality charter schools. **The Department has also been instructed to submit to Congress a report describing the planned uses of the \$50 million available for replication and expansion of charter models and the \$10 million under the National Activities grants before these funds are obligated.**

Additionally, new assurances were included in the bill to push states to improve the overall quality and accountability of chartering agencies and their oversight of schools in each state. Specifically:

- States applying for CSP funds need to describe in their applications to the Department a plan for monitoring and holding accountable authorized public chartering agencies through such activities as providing technical assistance or establishing a professional development program, which may include planning, training, and systems of development for staff of authorized public chartering agencies to improve the capacity

¹ Successful is a term currently defined in the Charter Schools Program (CSP). It means a school that has been in operation for at least 3 consecutive years and has demonstrated overall success, including—

- (i) substantial progress in improving student academic achievement;
- (ii) high levels of parent satisfaction; and
- (iii) the management and leadership necessary to overcome initial start-up problems and establish a thriving, financially viable charter school.

of such agencies in the State to authorize, monitor, and hold accountable charter schools.

- States will also be required to make ASSURANCES in their applications that either State law, regulations, or other policies require that: (1) all charter schools in the state operate under a legally binding charter or performance contract between itself and the school's authorized public chartering agency that describes the obligations and responsibilities of the school and the public chartering agency; conduct annual, timely, and independent audits of the school's financial statements that are filed with the school's authorized public chartering agency, and demonstrate improve student academic achievement; and (2) authorized public chartering agencies uses increases in student academic achievement for all subgroups of students as the most important factor when determining to renew or revoke a school's charter.
- \$400 million was included for the Teacher Incentive Fund (TIF), \$303 million more than FY2009. This program supports efforts to develop and implement performance-based teacher and principal compensation systems in high-need schools. Approximately \$220,000,000 will be used to continue FY2009 awards, leaving over \$180,000,000 available for new grants. The Conference Agreement (1) requires TIF grantees to demonstrate that teacher performance-based compensation systems are developed with the input of teachers and school leaders, (2) permits TIF grantees to use funds to develop or improve systems and tools to enhance the quality and success of teacher compensation systems, and (3) requires applications for TIF grants to include a plan to sustain financially the activities conducted and systems developed once the grant period has expired.
- \$10 million was included for the Administration's new Promise Neighborhoods Initiative. This new initiative would provide competitive, 1-year planning grants to non-profit, community-based organizations to support the development of plans for comprehensive neighborhood programs, modeled after the Harlem Children's Zone, designed to combat the effects of poverty and improve education and life outcomes for children, from birth through college. Grantees that develop promising plans and partnerships would be eligible to receive implementation grants the following year. The Appropriations Committees have requested that the Department, 30 days prior to releasing any requests for proposals under this program, provide a report to them describing the planned use of these funds.
- \$50 million was included for a new High School Graduation Initiative the Administration requested. The new initiative would provide local education agencies grants to support effective, sustainable, and coordinated strategies that will increase high school graduation rates particularly in the "dropout factories" (and their feeder schools) that produce the great majority of America's high school dropouts. Additionally, \$5 million of this funding may be used for peer review, technical assistance, dissemination, evaluation, and other national activities.
- \$14.5 billion was included for Title I grants. Although this is the same amount as FY09, an additional \$10 billion was provided through ARRA funding.

- \$545 million was appropriated to the School Improvement Grants which are also authorized under Title I. Again, the same amount as FY09 but on top of \$3 billion provided through ARRA.
- \$11.5 billion was appropriated for IDEA. ARRA also provided \$11.3 billion for IDEA Part B.
- \$18 million was appropriated directly to Teach for America to support expansion efforts to recruit, select, train, and support outstanding recent college graduates who continue to serve as teachers for at least 2 years in high-need schools and districts in low-income urban and rural communities across the United States.
- \$250 million was included for the Striving Readers Program, which was amended to support a comprehensive literacy program for students from birth through grade 12. States compete for this funding now and then 95% of the funds shall be awarded as subgrants to local education agencies or other entities, giving priority to such agencies or entities serving greater numbers or percentages of disadvantaged children. Additionally, the Department must prepare a an implementation plan of K-12 literacy related activities 30 days prior to a request for proposals is released for the Striving Readers program.
- \$12 million was included for **COMPETITIVE** awards to Local Education Agencies (LEAs) located in counties in Louisiana, Mississippi, and Texas that were designated by the Federal Emergency Management Agency as counties eligible for assistance due to damage caused by Hurricanes Katrina, Ike, or Gustav for activities such as replacing instructional materials and equipment, teacher incentives, **school modernization and renovation**, Advanced Placement or other rigorous courses, charter schools, and extended learning activities.
- \$100 million was included for Educational Technology State Grants (or the Enhancing Education Through Technology Program). Awards under this program are made to SEAs based upon their proportionate share of funding under Title I Part A who are required to use at least 95% of funds for subgrants. Although SEAs can compete out 100% of the funds, another option under the statute enables them to distribute one half of the subgrants by formula to eligible LEAs; and one half are awarded by competition to eligible “local entities” which must include a high need LEA.
- \$1.2 billion was included for the Teacher Quality State Grants (or, the Improving Teacher Quality State Grants). The purpose of the program is to increase academic achievement by improving teacher and principal quality. This program is carried out by: increasing the number of highly qualified teachers in classrooms; increasing the number of highly qualified principals and assistant principals in schools; and increasing the effectiveness of teachers and principals by holding LEAs and schools accountable for improvements in student academic achievement. Awards are made to State Education Agencies who in turn make formulaic subgrants to LEAs in the state. State Agencies for Higher Education also receive funding under this program and compete out grants to partnerships that must include at least one institution of higher

education (IHE) and its division that prepares teachers and principals, a school of arts and sciences, and a high-need LEA².

- \$5 million of this funding was directed to New Leaders for New Schools (NLNS) to support the organization's efforts to develop and deliver training for aspiring principals and support for principals, and conduct research to create a national knowledge base to inform the recruitment; selection, and training of principals for high-need schools. NLNS and its partners must provide not less than a 150 percent match in cash or in-kind for the Federal funds provided for this initiative. The match may consist of cash or in-kind offerings by private philanthropy or public sources, including funding allocated by partner State and school systems, and may be used for any purpose related to the program's recruitment, training, and residencies for aspiring principals, the ongoing coaching and support of those school leaders, as well as related research activities.
- Additionally, the Appropriators made an authorization change to the Investing in Innovation (i3) Fund. They have amended the current language requiring an entity applying for an i3 grant to have exceeded the Annual Measurable Objectives for a state for the last 2 or more years to “having demonstrated success in significantly increasing student academic achievement for all groups of students described in section 1111(c)(2) of the ESEA.” Thus, the AYP requirement is no longer there for entities applying for an i3 grant. Also, the Appropriators added language clarifying that any applicant serving as the fiscal agent in an i3 application **CAN** make subgrants to one or more of the other entities in the partnership.

Transportation, Housing and Urban Development, and Related Agencies Bill:

- **\$200 million for the Hope VI program of which \$65 million may be available for a demonstration of the Choice Neighborhood Initiative, a program proposed by the Administration to make a range of transformative investments in high-poverty neighborhoods where public and assisted housing is concentrated. Specified in the conference agreement is language that cites access to quality public schools, including CHARTER SCHOOLS, as a part of the solution for transforming neighborhoods. Applicants for the funding may include nonprofits. This initiative will likely be conducted in partnership with ED’s Promise Neighborhoods planning grants.**

² a high-need LEA is defined as an LEA:

(A) (i) that serves not fewer than 10,000 children from families with incomes below the poverty line;

or (ii) for which not less than 20 percent of the children served by the agency are from families with incomes below the poverty line

AND

(B) (i) for which there is a high percentage of teachers not teaching in the academic subjects or grade levels that the teachers were trained to teach

or (ii) for which there is a high percentage of teachers with emergency, provisional, or temporary certification or licensing.

Synopsis

This bill still has to be signed into law by President Obama, however, as a Conference Agreement it is likely to proceed quickly through the House and the Senate and then onto the President's desk for an expected signature. The House will begin floor debate on this bill tomorrow (December 10th) likely clearing the bill this week sending it to the Senate who will likely take it up next week given the current Continuing Resolution funding these Departments and Agencies technically expires on December 18th.