New Hampshire

Charter Schools Program

Monitoring Report

Prepared for the

U.S. Department of Education

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WestEd

Contents

Monitoring is the regular and systematic examination of a grantee's administration and implementation of a Federal education grant, contract, or cooperative agreement administered by the U.S. Department of Education (ED). ED monitors programs under the general administrative authority of the U.S. Department of Education Organization Act. ED policy requires every program office overseeing discretionary or formula grant programs to prepare a monitoring plan for each of its programs. The plans are designed to link established monitoring to achieving program goals and objectives; adhering to laws, regulations, and assurances governing the program; and conforming to the approved application and other relevant documents.

The purpose of the Charter Schools Program (CSP) Monitoring Plan is to assess the extent to which grantees are implementing their approved grant projects in compliance with Title V, Part B Public Charter Schools Program statutes, regulations, and guidance. The CSP monitoring objectives are threefold:

- Increase CSP fiscal and programmatic accountability at the State and local levels.

- Support and improve grantee capacity in carrying out the purpose of the CSP through the timely and efficient administration of Federal funds awarded under this program and other Federal education programs.

- Assist grantees with the planning and implementation of high-quality charter schools.

Thus, monitoring serves not only as a means for helping grantees achieve high-quality implementation of their CSP grant project, it also helps ED to be a better advisor and partner in that effort. CSP monitoring efforts are designed to focus on the results of grantees' efforts to implement critical requirements of the CSP using available resources and guidance. Information and data from grantee monitoring also assist to inform the program's performance indicators under the Government Performance Results Act.

II. DATA COLLECTION PROCESS AND METHODOLOGY

The CSP Monitoring Plan is being conducted with the assistance of WestEd (Contract # ED-CFO-10-A-0074/0001). The plan assesses grantee performance and compliance using indicators based on Federal statute, EDGAR, non-regulatory guidance, and application requirements. A monitoring handbook was provided to the grantee in advance of the site visit and used to guide the monitoring process. The monitoring handbook specifies each monitoring indicator, its statutory or other sources, criteria for meeting each indicator, guiding questions, and acceptable evidence.

In conducting this comprehensive review, the monitoring team carried out a number of major activities. These included:

- Reviewing key background documents provided by ED on the State's CSP grant, including the grant application, grant award notice, and annual performance reports.

- Researching and synthesizing other available information about the State grantee's charter school program including relevant statutes, reports and evaluations, newspaper articles, and other data from government, research, and advocacy organizations.

- Consulting with ED prior to the site visit about issues of special concern in the State grantee's administration of the CSP.

- Arranging the site visit in coordination with State and charter school officials, including identifying State officials for interviews and selecting subgrantees to visit.

- Collecting evidence of the State grantee's compliance or performance with Title V, Part B Public Charter Schools Program statutes, regulations, and guidance.

- Analyzing the evidence obtained and collecting any follow-up information necessary to produce this report.

The New Hampshire monitoring visit occurred May 5 – 8, 2014. The monitoring team spent the first two days at the New Hampshire Department of Education (NHDOE) and visited four subgrantee charter schools on the subsequent days. Interview participants at NHDOE were New Hampshire Charter School Program (NHCSP) staff including the CSP Program Director, the CSP Program Specialist, the Commissioner of Education, the State Director of Special Education, the Administrator from the Bureau of Integrated Programs, an Internal Auditor, the Director for the New Hampshire Center for Innovative Schools, and the Executive Director for the New Hampshire Public Charter School Association.

Over the remaining portion of the visit, the monitoring team visited four subgrantees. At each school, the monitoring team met with school leaders and parents. The schools visited were:

- **Making Community Connections (MC2) Charter School** – a 6th -12th grade school located in the city of Manchester that opened in 2012 with students ages 13 to 15. The school plans to expand to serve students up to age 21. In 2013-2014, 68 students were

enrolled. The school program, which serves a high-risk student population, includes personalized learning and internships.

- **Next Charter School –** a 9th- 12th grade school located in Derry, which opened in 2013. In 2013-2014, 30 students were enrolled in the school. The charter school was created to provide an alternative for students who were not successful in the traditional local high school in the community.

- **Great Bay e-Learning Charter School -** a 7th- 12th grade school located in Exeter, which opened in 2005. In 2013-2014, 162 students were enrolled in the school. Great Bay, which is the second-oldest charter school in New Hampshire, provides project-based learning for students who have struggled in other environments. The school has a 100 percent college-going rate.

- **Mill Falls Charter School –** a Kindergarten through 4th grade Montessori school that opened in 2012 in Manchester. Mill Falls is the State's first public Montessori school. In 2013-2014, 120 students were enrolled in the school.

This report is an analysis and assessment of the data, grant award documents, interviews, and information gathered prior to, during, and following the site visit to the State grantee. Findings in this report reflect the monitoring team's observations and conclusions about the State grantee's compliance and performance under the CSP grant from the beginning of the current grant period to the time of the site visit.

A draft copy of the monitoring report was provided to the grantee for review, with a request for technical edits and corrections accompanied by supporting documentation. The grantee chose to not provide a response or corrections to the draft monitoring report. Hence, the draft monitoring report was not changed for this final report.

The main purpose of the grantee review process is to make the report as accurate as possible. Grantee responses are used to clarify or correct details about policies, practices, or procedures occurring up to the time of the site visit and may result in revisions to observations and ratings, if justified.

STATE STATUTE/POLICIES/CONTEXT

STATUTORY HISTORY

In 1995, New Hampshire legislators passed RSA 194-B, the Charter Schools and Open Enrollment Act, which allowed for Local Education Agencies (LEAs) to authorize charter schools within their district. Nevertheless, the first charter school in New Hampshire was not opened until 2005.

Since 2007, two moratoriums on the authorization of new charter schools have been enacted and repealed. In 2007, the State legislature passed a moratorium on the authorization of new charter schools. The moratorium held for two years, until the legislature passed HB 1495 in 2009 which removed the moratorium. This was done, in part, to attempt to make New Hampshire's Race to the Top application more competitive. Even though the State's Race to the Top application was not successful, the first moratorium remained lifted. In 2011 there was a minor change to law that left the State Board of Education (SBE) unable to authorize charter schools because of funding constraints; therefore, a "pseudo-moratorium" was in place. In September 2012, the SBE denied all pending applications and did not authorize any new charter schools until the new budget period started in June 2013. In summer 2013, the law was changed back to alleviate the "pseudo-moratorium" and four charter schools have been authorized since.

BASIC CHARTER PROVISIONS

Both the SBE and LEAs have the authority to approve new charter schools, conduct ongoing oversight, and revoke a charter in case of academic failure, fiscal mismanagement, or violation of law. However, LEA authorized schools must also be reviewed and approved by the SBE. Charters are initially authorized for five years and can be renewed for up to five years at a time.

In 2003, the State's General Court amended the State's charter school law to allow the SBE to serve as a charter school authorizer for a 10-year trial period and placed a cap of 20 on the number of charter schools that could be authorized in the State. HB 1495 (2011) lifted the cap on the number of charter schools that could be authorized. As of the monitoring visit, there was no cap on the number of charter schools that could be authorized in the State.

All charter schools, regardless of authorizer, can operate as their own LEA. However, some SBE-authorized schools have opted to have their home-district LEA serve as their fiscal agent. This is particularly true of small charter schools in their first few years of operation that do not have the capacity to manage their own back office operations. A child's home-district LEA, that is the LEA that he or she would be part of if enrolled in his or her traditional public school, is responsible for providing any special education services that a child may require.

OTHER SALIENT STATUTORY OR CONTEXTUAL PROVISIONS

Per-pupil funding for charter schools differs depending on whether the charter school is authorized by the SBE or their local school district. Charter schools authorized by a local school board receive more per pupil funding than SBE-authorized charter schools. Through a determination of the local school district voters, an LEA-authorized charter school will receive a minimum of 80 percent of the per pupil expenditure of the local school district. Charter schools authorized by the SBE are directly funded by the State, currently at $5450 per student.

Charter school law requires that school districts provide transportation to charter school students who reside in the district where the charter school is located. However, the charter school must pay additional route costs if the location of their school and pull of students from within the LEA causes additional busing costs for the district. .

Special education services and responsibilities also lie with the district of residence. It is not uncommon for a charter school to have multiple districts involved in the provision of special education services for students.

Though not traditionally considered a language-diverse area, Manchester has become a regional hub for relocating refugee populations. As a result, the State is seeing an increase in language minorities. According to State staff, there are 161 languages spoken in the Manchester region; Spanish is currently the dominant language. The NHCSP office anticipates that there may be additional charter schools initiated in Manchester to serve these growing populations in the future.

DATA ON STATE CHARTER SECTOR

GROWTH OF CHARTER SCHOOLS IN THE STATE

Currently, New Hampshire has 18 open and operating charter schools serving 2,097 students (less than 1 percent of all public school students). The majority of the charter school development has occurred in the southern part of the state where the population is most dense. Of the 18 charter schools open, only four are located in the more rural northern New Hampshire. There are four new charter schools authorized to open in the fall of 2014 and one of those will be located in the more rural part of New Hampshire.

As reported by NHCSP staff, four charter schools have closed. The first school closed in 2006 due to lack of enrollment and finances. Since 2006, three more have closed due to the same reasons.[1] All of the closed schools were approaching renewal and were guided by NHCSP staff to consider closing, as the renewal process would show they were not sustainable.

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[1] http://www.education.nh.gov/instruction/school_improve/charter/closed_charterschools.htm

CHARTER SCHOOL SECTOR PERFORMANCE DATA

Under an approved ESEA waiver from the USDOE in June 2013, New Hampshire revised its student achievement and accountability systems as well as the schedule of assessments. As a result, New Hampshire's last student achievement testing was in the fall of 2013. The next round of statewide testing will not occur until spring 2015, when New Hampshire shifts from fall testing to spring testing.

New Hampshire uses the New England Common Assessment Program (NECAP) and the New Hampshire Alternate Learning Progressions (NH ALPs) to assess student achievement. All students in grades 3-8 and 11 are tested. At the time of the monitoring visit, the SEA provided draft performance data from the October 2012 administration of NECAP Assessment and the 2011-12 NH ALP (for the purposes of this document, these achievement results were combined).[2] According to the documentation provided by the SEA, students in the charter sector outperformed students in traditional public schools in reading and math proficiency in grades 4, 8, and 11. Results from previous years were not available as the SEA tracks but does not publish data on the charter school sector separate from other traditional public schools.

Charter School Students

Tested at Grade	% Math Proficient	% Reading Proficient
4	79.25	81.13
8	87.90	88.71
11	41.51	77.36

Traditional Public School Students

Tested at Grade	% Math Proficient	% Reading Proficient
4	77.52	78.12
8	67.46	81.76
11	37.89	77.20

THE SEA CHARTER SCHOOLS OFFICE/PROGRAM

There are four divisions in the NHDOE: Division of Educational Improvement, Division of Program Support, Division of Career Technology and Adult Learning, and the Division of Higher Education. The Charter Public Schools (CPS) Office is part of the Bureau of Accountability in the Division of Educational Improvement. The NHCSP office has two full-time staff members, the Project Director and a Program Specialist. The Project Director is also the Administrator of the Office of School Standards Charter/Home and splits her time between the charter school and other duties. The Program Specialist oversees the day-to-day administration of the grant. The CSP office

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[2] Draft of New Hampshire Charter Schools Dashboard, February 20, 2014

had a third employee from 2011-2013, but she was transferred to NHDOE's National Assessment of Educational Progress (NAEP) office in February 2013.

CHARTER SCHOOLS PROGRAM GRANT

New Hampshire has received two CSP grants dating back to 2003. In 2003, New Hampshire received its first Federal CSP grant for $7,732,779. The current grant, which was awarded in 2010, was originally for $11,678,642. However, ED reduced the grant award total in 2011 to $10,885,381 due to the State's moratorium on authorizing new charter schools and concerns that the SEA would not be able to authorize as many schools as initially proposed. This is New Hampshire's first CSP monitoring visit.

Under this grant, the State cites the following four objectives:

1. Increase the number of high-quality charter schools in New Hampshire, particularly those serving educationally disadvantaged students most at-risk in rural and urban settings;

2. Use Federal CSP grant funds to improve student achievement for secondary charter school students and increase graduation rates;

3. Support the dissemination of charter schools best practices to other public schools and LEAs; and

4. Empower charter schools to become strong independent organizations and support charter school efforts to be fiscally responsible.

At the time of the monitoring visit, NHCSP had awarded 12 Planning and Implementation subgrants, eight Implementation subgrants, and seven Dissemination subgrants. The grantee did not award any Planning or Implementation subgrants in the first fiscal year of the grant, which ran from August 1, 2010 – July 31, 2011. Most of the Planning and Implementation and Dissemination subgrantees received larger award amounts in the first year of their subgrant than in subsequent years. This reflected the nature of subgrantees' budget requests that were larger at the beginning of the subgrant period.

	Planning Subgrants Awarded		Implementation Subgrants Awarded		Dissemination Subgrants Awarded	
	Number	Range of $ Awards	Number	Range of $ Awards	Number	Range of $ Awards
Year 1 (2010-11)	0	-	0	-	2	$33,500 - $34,625
Year 2 (2011-12)	7	$166,000 - $220,000	0	-	2	$32,500
Year 3 (2012-13)	1	$192,500	7	$166,000-$220,000	2	$32,500
Year 4 (2013-14)	4	$169,818 - $200,000	1	$192,500	1	$35,000
Total Awarded	**12**	**$166,000 - $220,000**	**8**	**$166,000-$220,000**	**7**	**$32,500 - $35,000**

Monitoring focused on three areas: (1) Subgrant Application and Award Process; (2) CSP and Charter School Quality; and (3) Administrative and Fiscal Responsibilities. Within each area, the protocol identifies indicators of grantee compliance or performance. This section presents the monitoring team's observations, assessment of the grantee's performance, and recommendations for each indicator. Grantee ratings are based on the degree to which the grantee meets each indicator. The indicator rating system is as follows:

> 3 – Grantee fully meets the indicator.
>
> 2 – Grantee partially meets the indicator.
>
> 1 – Grantee does not meet the indicator.

To summarize, New Hampshire has partially demonstrated the necessary program management and fiscal controls to meet the application's objectives.

Subgrant Application and Award Process – The SEA ensures that subgrantees meet the term eligible applicant and stay within their 36-month grant period. Yet, the SEA was unable to provide evidence that subgrant applications include all descriptions and assurances required in Federal statute. Also, the SEA did not monitor subgrantees to ensure that enrollment practices were in compliance with Federal standards and thus be able to ensure that subgrantees continued to meet the Federal definition of a charter school throughout the period of the grant. Furthermore, the SEA's peer review process and contract periods were unclear and appear to overlap from the planning phase to the implementation phase. **Areas of concern** recommended for follow up by ED include:

- Missing descriptions and assurances. The SEA does not provide evidence of all Federally required descriptions and assurances in its applications and assurances.

- School application procedures may create barriers to admission. Three of the four subgrantees visited employed extensive application procedures that typically involved essays and interviews.

- Inappropriate requests for information regarding students with disabilities. All subgrantees required student applicants to disclose their IEP status in the application procedures. One subgrantee described the application process as particularly long for students with IEPs because the charter school requires a meeting with the sending school prior to accepting a student with an IEP.

- Tuition-free schools. The monitoring team could not find evidence in statute or other policies that describe charter schools as tuition-free.

- Charter school operated by non-profit education foundation. One subgrantee is operated by a non-profit education foundation, which requires that the school employ its Executive Director and an academic coach. Both of these positions are paid for by the CSP subgrant.

- Lack of peers in review process. The grantee did not demonstrate evidence of peer reviewers used in the review of the subgrant applications.

- Lack of sufficient training for reviewers. The grantee did not demonstrate evidence of a reviewer training process that aligned to what was described in the approved application.

- Fewer reviewers than proposed. The grantee proposed to include three peer reviews of each subgrant application, but could only demonstrate two reviewers for each application.

- GANs to subgrantees reflect incorrect contract periods. The GANs to subgrantees showed award period dates that went beyond the 12 month period, as well as award dates that overlapped from one year to the next with any given subgrantee.

CSP and Charter School Quality – The SEA affords a high level of flexibility and autonomy to charter schools and demonstrates it has opened schools to increase the academic achievement of students who are at greatest risk of not meeting standards. The SEA also does a thorough review of the charter school applications for authorization. However, when considering a subgrant application, the SEA does not include a review of a school's goals and objectives for the subgrant. Without specific subgrant goals and objectives it is difficult for the SEA to monitor subgrantee projects to assure the approved grant and subgrant objectives are achieved. **Areas of Concern** recommended for ED follow-up include:

- SEA oversight of local authorizers. The SEA has limited statutory or operational authority to monitor and hold accountable other authorized public chartering agencies to improve the capacity of those agencies to authorize, monitor, and hold accountable charter schools.

- Subgrant criteria and review. The subgrant review and selection process did not include a review of the goals and objectives of the subgrant.

- Limited subgrant monitoring. The NHCSP collects the Charter School Accountability Report from each charter school, but does not differentiate between subgrant project goals and charter school goals when reviewing the reports.

- Limited dissemination to all LEAs in the State. Though charter schools participate in a wide variety of conferences, there was not a clear strategy to ensure that best practices are disseminated to all LEAs in the State.

- Comprehensive external evaluation. The SEA does not have an external evaluation in place as proposed in the approved application nor did the SEA have plans to implement an external evaluation at the time of the monitoring visit.

- Insufficient progress on performance measures. The SEA has not demonstrated substantial progress in meeting its application objectives and related performance measures.

Administrative and Fiscal Responsibilities – The SEA uses various forms of communication to provide information about the CSP grant. There are systems in place to track the expenditure of grant funds. All LEA deductions are mutually agreed upon. However, new charter schools do not receive Title funds in a timely manner and subgrantees had a number of unallowable expenses. **Areas of concern** recommended for follow up by ED are:

- SEA cannot confirm that schools receive commensurate share of Federal funds. The State does not have the necessary systems in place to ensure that schools receive their commensurate share of Federal funds within the first five months of opening or significantly expanding.

- Schools not informed of eligibility of Federal funds. The SEA uses the previous year's enrollment to determine Title I allocations and did not appear to have an alternative calculation for newly opened charter schools. As a result, newly opened schools may not know that they are eligible to receive funds within their first year.

- Unallowable expenses. Subgrantees used grant funds for a number of unallowable expenses including salaries for more than three months prior to the opening of a school; furniture and classroom supplies for grades and classes that will not be served until after the grant period, and transportation.

- Lack of policies regarding procurement standards and conflict of interest. The grantee does not require that subgrantees have procurement standards or conflict of interest policies and does not provide any guidance to subgrantees on developing such policies.

- Lack of source documentation. The grantee does not ask for any source documentation for reimbursement or during their monitoring of subgrantees. The grantee relies on the annual audits for information on financial reporting, but does not give any guidance to the auditors on expectations of accounting records.

Promising practices that may be worthy of examination and/or replication by other SEA grantees include:

- Charter school accountability reports. The New Hampshire Charter School Accountability Process provides a complete picture of the requirements for a charter school's periodic reports. It is used by all charter schools to guide the submission of all charter school reports to the NHDOE. It is used as the basis for the NHDOE to report to the authorizer and for the charter school renewal process. http://www.education.nh.gov/instruction/school_improve/charter/documents/account_process.pdf

- Dissemination of charter school best practices. In concert with the SEA, charter schools meet monthly and share best practices among themselves. Immediately prior to these monthly meetings, the charter school association hosts a meeting with charter schools leaders to prepare for the annual conference and discuss other issues. Dissemination subgrantees have successfully shared innovative practices with other charter schools and some LEAs through connections with various State organizations.

- <u>Dissemination of innovations to Legislature.</u> The SEA has produced several four-page handouts on innovative school practices that include charter schools. The handout is given to members of the legislature each year during the session in an effort to familiarize them with charter schools. Each handout includes a one-column letter from the Commissioner of Education and highlights individual schools.

A summary table of all of the indicators and their ratings is provided below.

Summary of Indicator Ratings

Section 1: Subgrantee Application and Award Process		Rating
Indicator 1.1	SUBGRANT APPLICATION DESCRIPTIONS AND ASSURANCES. The State requires each eligible applicant desiring to receive a subgrant to submit an application to the State Education Agency that includes the descriptions and assurances required in Federal statute.	2
Indicator 1.2	ELIGIBLE APPLICANTS. The State ensures each applicant desiring to receive a subgrant meets the term "eligible applicant."	3
Indicator 1.3	DEFINITION OF CHARTER SCHOOL. The State ensures each eligible applicant meets the term "charter school."	1
Indicator 1.4	PEER REVIEW. The State uses a peer review process to review and select applications for assistance under this program.	1
Indicator 1.5	PROGRAM PERIODS. CSP subgrants awarded by the State do not exceed the maximum program periods allowed.	2
Section 2: CSP and Charter School Quality		Rating
Indicator 2.1	QUALITY AUTHORIZING PRACTICES. State laws, regulations, or other policies provide for quality authorizing practices and the SEA monitors and holds accountable the authorized public chartering agencies in the State so as to improve the capacity of those agencies to authorize, monitor, and hold accountable charter schools.	2
Indicator 2.2	FLEXIBILITY AND AUTONOMY. The SEA affords a high degree of flexibility and autonomy to charter schools.	3
Indicator 2.3	SUBGRANTEE QUALITY. The SEA awards grants to eligible applicants on the basis of the quality of the applications submitted.	2
Indicator 2.4	DISTRIBUTION OF SUBGRANTS. The State awards subgrants in a manner, to the extent possible, to ensure that such subgrants: a) are distributed throughout different areas of the State, including urban and rural areas; and b) will assist charter schools representing a variety of educational approaches.	3
Indicator 2.5	SUBGRANTEE MONITORING. The SEA monitors subgrantee projects to assure approved grant and subgrant objectives are being achieved and to ensure compliance with Federal requirements.	1
Indicator 2.6	DISSEMINATION OF BEST OR PROMISING PRACTICES. The State disseminates best or promising practices of charter schools to each local education agency in the State.	2
Indicator2.7	ACHIEVEMENT OF APPLICATION OBJECTIVES. The State demonstrates substantial progress in meeting its application objectives.	2
Section 3: Administrative and Fiscal Responsibilities		Rating
Indicator 3.1	FEDERAL PROGRAMS INFORMATION AND FUNDING. The State informs appropriate audiences about the SEA's charter school grant program, Federal funds that the charter school is eligible to receive and Federal programs in which the charter school may participate, and ensures that each charter school in the State receives its commensurate share of Federal education formula funds.	1

Indicator 3.2	ALLOCATION OF CSP FUNDS. The proportion of grant funds reserved by the State for each activity does not exceed the allowable amount.	2
Indicator 3.3	ADMINISTRATION AND USE OF CSP FUNDS. The SEA administers the CSP funds and monitors subgrantee projects to ensure the proper disbursement, accounting, and use of Federal funds.	1
Indicator 3.4	LEA DEDUCTIONS. The State ensures that the LEA does not deduct funds for administrative expenses or fees unless the eligible applicant enters voluntarily into an administrative services arrangement with the relevant LEA.	3
Indicator 3.5	TRANSFER OF STUDENT RECORDS. The SEA ensures that a student's records and, if applicable, individualized education program accompany the student's transfer to or from a charter school in accordance with Federal and State law.	3
Indicator 3.6	RECORDKEEPING. All financial and programmatic records, supporting documents, statistical records, and other records of grantees and subgrantees related to the CSP grant funds are maintained and retained for grant monitoring and audit purposes.	3

V. FINDINGS

This section presents the monitoring team's description and assessment of the grantee's administration of the CSP grant for each indicator. Each indicator is stated, followed by summary narrative and detailed tabular information containing the monitoring team's observations and findings of grantee implementation related to the indicator. Any areas of concern and promising practices are then highlighted. Finally, a rating, justification for that rating, and, where appropriate, recommendations for improvement are given.

1. SUBGRANT APPLICATION AND AWARD PROCESS

A major function of CSP grantees is to conduct application and award processes to distribute CSP funds to subgrantees in the state, including funds for new charter school planning and implementation as well as for the dissemination of successful charter school practices. A minimum of 95 percent of each State's CSP allocation is distributed to subgrantees through this process. This section focuses on the State's requirements of subgrant applicants, and its processes for evaluating, selecting, and awarding subgrants. Specifically, this section addresses the State's performance in fulfilling its responsibilities to:

- Require subgrant applicants to submit an application with Federally required descriptions and assurances;

- Determine that applicants are eligible to receive CSP subgrants;

- Ensure that eligible applicants meet Federal definitions of a charter school;

- Employ a peer review process to evaluate subgrant applications; and

- Ensure CSP subgrants adhere to allowable time periods.

Indicator 1.1: SUBGRANT APPLICATION DESCRIPTIONS AND ASSURANCES. The The State requires each eligible applicant desiring to receive a subgrant to submit an application to the State Education Agency that includes the descriptions and assurances required in the Federal statute.

Observations: The NHCSP office is responsible for overseeing the charter application process for SBE-authorized charter schools and the CSP subgrants. Eligibility for a subgrant is contingent upon the applicant having an approved charter and authorization to open.

Planning/Implementation Subgrants. An applicant with an approved charter is eligible to apply for a Planning and Implementation subgrant. The subgrant application, which is available online, has a rolling deadline, though applicants are encouraged to submit an application by December of the year prior to expected opening. The 11-page subgrant application consists of eight sections, including: Contract Period, Purpose of Charter School Start-Up Grants, Scope, Eligibility, Grant Application Requirements, Proposal Submission and Review, Review Criteria, and Terms and

Conditions. The subgrant application also includes three appendices: A) general information sheet (for NHDOE use only), B) cover sheet, and C) the three-page evaluation rubric, which is completed by the reviewer and not the applicant.

The monitoring team found that the charter application and Planning and Implementation subgrant application, along with the general assurances document, were not inclusive of all Federally-required descriptions and assurances. Specifically missing are: a description of the administrative relationship between the charter school and the authorized public chartering agency, a description of how the authorized public chartering agency will provide for continued operation of the school once the Federal grant has expired, a request for waivers, and an assurance that the eligible applicant will cooperate in an evaluation.

Dissemination Subgrants. The State's Dissemination subgrant RFP is very similar to the Planning and Implementation RFP. The six-page Dissemination subgrant application also consists of eight sections, including: Contract Period, Purpose of the Dissemination Grant Program, Funding Priority, Eligibility, Grant Application Requirements, Proposal Submission and Review, Application Review Criteria, and Terms and Conditions. Eligible applicants must be authorized charter schools that have been open and operating for three or more years, and funding priority is given to applicants that target replication of successful programs or support the start-up of new high-quality charter schools to increase student achievement.

Table 1.1: SUBGRANT APPLICATION DESCRIPTIONS AND ASSURANCES.		
ESEA Section 5203. Applications. (b) Each application submitted pursuant to subsection (a) shall — (3) contain assurances that the State Education Agency will require each eligible applicant desiring to receive a subgrant to submit an application to the State Education Agency containing —	Area of concern	Findings: Description of practices and any concerns related to how the SEA grantee ensures that each description and assurance is included in the subgrant application.
(A) a description of the educational program to be implemented by the proposed charter school, including — 　(i) how the program will enable all students to meet challenging State student academic achievement standards; 　(ii) the grade levels or ages of children to be served; and 　(iii) the curriculum and instructional practices to be used;	☐ Yes ☒ No	Section C of the Planning and Implementation subgrant RFP requires a description of the school's curriculum and instructional goals as well as the school's assessment program(s). Section C of the charter application, which must be approved to be eligible for a subgrant, includes the grade levels or ages of the children to be served.

(B) a description of how the charter school will be managed;	☐ Yes ☒ No	Section H of the Planning and Implementation subgrant requests information regarding the person who will manage the funds and Section C, Item 5, requests information regarding the school's start-up needs for assuring that training and planning in governance and administration occurs. Section B of the charter application requires the applicant to specify the governance and organizational structure and plan, as well as background/qualifications for each founding member.
(C) a description of — (i) the objectives of the charter school; and (ii) the methods by which the charter school will determine its progress toward achieving those objectives;	☐ Yes ☒ No	Section C of the Planning and Implementation subgrant RFP requires the applicant to identify the goals and objectives of the charter school, and how the funds requested directly relate to meeting the charter school's goals. The applicant must include the school's assessment programs that will be used to evaluate the effectiveness of the charter school. The evaluation may include NECAP, as provided in RSA 193-C and the Charter Accountability process. It may also include student surveys, parent surveys, and student outcomes.
(D) a description of the administrative relationship between the charter school and the authorized public chartering agency;	☒ Yes ☐ No	Neither the Planning and Implementation subgrant RFP nor the charter application require applicants to describe the administrative relationship between the charter school and the authorized public chartering agency.
(E) a description of how parents and other members of the community will be involved in the planning, program design, and implementation of the charter school;	☐ Yes ☒ No	The Planning and Implementation RFP indicates that applicants must meet the requirements of a "Chartered Public School" under New Hampshire's RSA 194-B:1. Section C specifies parent involvement on the board, indicating that the board of trustees must include no fewer than two parents of students attending the charter school (RSA 194-B:5, II). Section V of the charter application requires that the applicant discuss their philosophy of parent involvement and related plans and procedures.
(F) a description of how the authorized public chartering agency will provide for continued operation of the school once the Federal grant has expired, if such agency determines that the school has met the objectives described in subparagraph (C)(i);	☒ Yes ☐ No	Neither the Planning and Implementation subgrant RFP nor the charter application require applicants to describe the continued operation of the school once the Federal grant expires.

(G) a request and justification for waivers of any Federal statutory or regulatory provisions that the eligible applicant believes are necessary for the successful operation of the charter school, and a description of any State or local rules, generally applicable to public schools, that will be waived for, or otherwise not apply to, the school;	☒ Yes ☐ No	Neither the Planning and Implementation subgrant RFP nor the charter application include language regarding the request or justification for waivers of any Federal statutory or regulatory provisions.
(H) a description of how the subgrant funds or grant funds, as appropriate, will be used, including a description of how such funds will be used in conjunction with other Federal programs administered by the Secretary;	☐ Yes ☒ No	Section B of the Planning and Implementation subgrant RFP requires the applicant to submit a three-year budget describing the activities that will be undertaken for each year of the CSP grant. Section R of the charter application requires that the applicant describe the annual budget, including all sources of funding.
(I) a description of how students in the community will be — 　(i) informed about the charter school; and 　(ii) given an equal opportunity to attend the charter school;	☐ Yes ☒ No	Section C of the Planning and Implementation subgrant RFP describes the lottery requirements as defined by State law. Section W of the charter school application requires applicants to describe a plan to develop and disseminate information to assist parents and students with decision-making about their choice of school.
(J) an assurance that the eligible applicant will annually provide the Secretary and the State Education Agency such information as may be required to determine if the charter school is making satisfactory progress toward achieving the objectives described in subparagraph (C)(i);	☐ Yes ☒ No	The Terms and Conditions of the Planning and Implementation subgrant RFP state that each eligible applicant receiving a grant must provide feedback to the SEA on grant progress and expenditures at regular intervals in an agreed-upon format.
(K) an assurance that the eligible applicant will cooperate with the Secretary and the State Education Agency in evaluating the program assisted under this subpart;	☒ Yes ☐ No	Neither the Planning and Implementation subgrant RFP nor the charter application include language regarding whether applicants will cooperate with Federal or State evaluations.
(L) a description of how a charter school that is considered a local education agency under State law, or a local education agency in which a charter school is located, will comply with Sections 613(a)(5) and 613(e)(1)(B) of the Individuals with Disabilities Education Act;	☐ Yes ☒ No	The Planning and Implementation subgrant RFP indicates that an applicant must have a charter and authorization plan to be eligible for a subgrant, and the State's charter school law addresses compliance for children with disabilities (RSA 194:B:11, Section III). Section N of the charter school application requires applicants to describe how the school will coordinate with the LEA of residence responsible for matters pertaining to any required special education program or services including method of compliance with all Federal and State laws.

(M) if the eligible applicant desires to use subgrant funds for dissemination activities under Section 5202(c)(2)(C), a description of those activities and how those activities will involve charter schools and other public schools, local educational agencies, developers, and potential developers; and	☐ Yes ☒ No ☐ NA	The Dissemination subgrants RFP requires applicants to describe the need for the program, goals and objectives, and the program activities.
(N) such other information and assurances as the Secretary and the State Education Agency may require.	☐ Yes ☒ No	NHDOE requires applicants to sign an annual General Assurances document, which is also signed by all entities receiving Federal education funds.

Sources: *The Charter School Application Process; Initial Process for Charter School Developers; General Assurances FY 2014; http:www.education.nh.gov/instruction/school_improve/charter/csapproval_sbe.htm; State Statutes (Chapter 194-B, Chartered Public Schools); Charter School Start-Up Grant Application, Competition for 2013-2014 School Year; NHDOE Charter School Dissemination Subgrants, 2013-2014 School Year.*

Areas of Concern

- <u>Missing descriptions and assurances.</u> The SEA does not provide evidence of all Federally required descriptions and assurances in its applications and assurances.

<u>Rating and Justification:</u> 2 – Grantee partially meets the indicator. While the SEA has included many of the required descriptions and assurances in either the subgrant or charter applications, the monitoring team identified three descriptions or assurances that were missing.

<u>Recommendations:</u> The SEA needs to ensure that all required descriptions and assurances are included in subgrant applications and/or related documents.

Indicator 1.2: ELIGIBLE APPLICANTS. The State ensures each applicant desiring to receive a subgrant meets the term "eligible applicant."

<u>Observations:</u> For Planning and Implementation subgrants, the SEA requires charter developers to have an authorized charter to be eligible for subgrant funding. This ensures that applicants have applied for and received a charter prior to applying for a subgrant. Furthermore, the SBE is aware of all newly authorized schools including those it directly authorizes or LEA-authorized schools that the SBE reviews and approves.

The Dissemination subgrants RFP indicates that an applicant must be an authorized charter school that has been open and operating for three or more years to be eligible for a charter school Dissemination subgrant. For Dissemination subgrant eligibility, the NHCSP examines annual accountability reports which include a summary of the school's performance to the SBE as well as responses to four areas of progress:
1) Is the school making progress toward achieving its mission?
2) Is the school responsibly using public funds?
3) Is the school promoting student attainment of expected knowledge and skills?
4) Is the school sustainable? (This question includes items on parent satisfaction.)

The SEA informs interested applicants of the eligibility requirements through its website, where the RFP's for the Planning and Implementation and Dissemination subgrants are posted. Also, interested applicants find out about the Dissemination subgrant through the monthly Charter Leaders' meetings that take place at the NHDOE.

Table 1.2: ELIGIBLE APPLICANTS.		
The State ensures each applicant desiring to receive a subgrant meets the term "eligible applicant," including:	Area of concern	Findings: Description of practices and any concerns related to how the SEA grantee ensures that each applicant desiring to receive a subgrant meets the term eligible applicant.
The school's developer has applied to an authorized public chartering authority to operate a charter school	☐ Yes ☒ No	Subgrant applicants must have a charter and authorization to open in order to be eligible for a Planning and Implementation subgrant.
The school's developer has provided adequate and timely notice to that authority under Section 5203(d)(3)	☐ Yes ☒ No	All charter applicants, even those authorized by a local school district, must obtain approval from the SBE in order to open a school. As a result, the SEA is aware of all authorized schools that are eligible to apply for a subgrant.
Non-profit status of the charter holder	☐ Yes ☒ No	Charter schools are required by State law to be non-profit organizations.
Not more than one grant to a school	☐ Yes ☒ No	The SEA uses its online Grants Management System (GMS) to track subgrant awards as well as internally developed spreadsheets to ensure that charter schools are not awarded more than one grant.
For Dissemination applicants: the charter school 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.	☐ Yes ☒ No ☐ NA	The Dissemination subgrant RFP states that an applicant must be an authorized charter school that has been open and operating for three or more years. Applicants must provide evidence of past student progress or academic achievement, high levels of parental satisfaction, and financial viability in order to qualify for this competition.

Sources: *Charter School Start-Up Grant Application, Competition for 2013-2014 School Year; NHDOE Charter School Dissemination Subgrants, 2013-2014 School Year; NHDOE, Start-Up Process (http://www.education.nh.gov/instruction/school_improve/charter/news); The New Hampshire Charter School Accountability Process, Revised October 2006.*

Rating and Justification: 3 – Grantee fully meets the indicator. The SEA ensures that each applicant desiring a subgrant meets the term "eligible applicant."

Recommendations: None.

Indicator 1.3: DEFINITION OF CHARTER SCHOOL. The State ensures each eligible applicant meets the term "charter school."

Observations: Section 194-B:1 of the New Hampshire State Statutes defines a charter school as an open enrollment public school, operated independent of any school board and managed by a board of trustees. Further, the definition states that a chartered public school shall operate as a nonprofit secular organization under a charter granted by the State board and in conformance with this chapter. State law differs from Federal law in that it permits charter schools to select students based on ability (Section 194-B:2, IV). The SEA attempts to ensure that eligible applicants meet the Federal term "charter school" by including specific State Statutes that are aligned with the Federal definition in both the Planning and Implementation subgrant RFP and the Dissemination subgrant RFP, and also in providing additional guidance to subgrantees. However, it is unclear, based on the evidence provided by the SEA, how it ensures that subgrantees continue to meet the Federal definition while receiving a subgrant.

Lottery. The SEA has created guidance on lottery policies ("Lottery Selection Guidelines") which includes State statute RSA 194-B:9, CSP Nonregulatory Guidance, and additional "Department Comment" on the lottery process in general and how placement tests shall not be administered to potential applicants in order to maintain eligibility for CSP funding. Additionally, the Department Comment section requires that each school create its own lottery guidelines, including waitlist procedures that are reviewed and approved by a school's governing board.

However, the monitoring team found examples of school lottery policies that may limit choice options for students.

- Three of the four subgrantees visited required students to undergo application procedures that lasted up to several weeks and included essays and interviews. A parent at one of these three subgrantees requiring extensive application procedures stated that she believes the application process could be a deterrent for some parents with limited literacy skills.

- One subgrantee used a four-step application process that included: I. Application, II. Conversation, III. Review, and IV. Notification. The application, which was described in a five-page document titled "Enrollment," includes the family's reasons for applying to the charter school. The second step involves a conversation where applicants who successfully past round one would have to articulate how they will benefit from the school's mission. The third step, Review, consists of a committee to review all applications. The committee review criteria includes an assessment of whether, based on history, the student would be unsuccessful at the school and whether, based on history, the student would require supports and structures in excess of those that the school can provide.

Special Populations. The SEA requires subgrantees to annually sign a General Assurances document, which contains an assurance regarding compliance with the related discrimination, civil rights, and special education acts. Yet, the monitoring team found that the subgrantees visited

request information about a student's IEP status during the application process. The SEA confirmed that this practice is in place to ensure that students appropriately receive special education services. The monitoring team is concerned that requesting this information prior to enrollment may influence a student's desire to attend a charter school and/or acceptance to a charter school. In one particularly challenging example, the monitoring team found that students with IEPs may face a lengthy application process because the charter school requires an IEP meeting with the previous school before the student can be admitted. Thus, the admission process for a student with an IEP may take several weeks, and this is contingent on how soon the subgrantee would be able to schedule a meeting with the sending school.

Furthermore, the monitoring team found that one of the subgrantees visited is operated by a separate non-profit education foundation. The non-profit foundation requires that the school use the non-profit's services in the form of a part-time Executive Director to oversee the school and a part-time academic coach paid for by the subgrant. Both of these staff members are employees of the non-profit. The principal of the school reports to the Executive Director of the non-profit, and not to the school's Board. The monitoring team is concerned with the appearance that the school may not be governed under public supervision because the principal reports to the non-profit rather than the school board.

Table 1.3: DEFINITION OF CHARTER SCHOOL.		
ESEA Section 5210. DEFINITIONS. **(1) CHARTER SCHOOL- The term 'charter school' means a public school that —**	**Area of concern**	**Findings: Description of practices and any concerns related to how the SEA grantee ensures that each eligible applicant meets each clause of the Federal term "charter school".**
(A) in accordance with a specific State statute authorizing the granting of charters to schools, is exempt from significant State or 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;	☐ Yes ☒ No	Section 194-B:3 exempts charter schools from the Education Code, with specified exemptions. The Planning and Implementation subgrant RFP and the Dissemination subgrant RFP both include components of the State definition (New Hampshire's RSA 194-B:1) and note that the school must be in compliance with State statutes. See Indicator 2.2 for additional information about the flexibility and autonomy afforded to charter schools by the State.

(B) is created by a developer as a public school, or is adapted by a developer from an existing public school, and is operated under public supervision and direction;	☒ Yes ☐ No	Section 194-B:1 defines a charter school as an open enrollment public school, operated independent of any school board and managed by a board of trustees.
		The Statutes also define a charter conversion school as a public school which has been authorized to become a public charter school. The school continues to be managed by the school board until and unless fully authorized to become a public charter school in accordance with the law (RSA 194-B:3, Item IV).
		Additionally, one of the subgrantees visited is operated by a separate non-profit education foundation. The non-profit foundation requires that the school use the non-profit's services in the form of a part-time Executive Director to oversee the school and a part-time academic coach paid for by the subgrant. Both of these staff members are employees of the non-profit. The principal of the school reports to the Executive Director of the non-profit, and not to the school's Board.
(C) operates in pursuit of a specific set of educational objectives determined by the school's developer and agreed to by the authorized public chartering agency;	☐ Yes ☒ No	Section 194-B:3 indicates that the duty and role of the local school board relative to the establishment of a public charter school shall be to approve or disapprove the proposed charter application based on whether it contains academic and other learning goals and objectives in specific detail.
(D) provides a program of elementary or secondary education, or both;	☐ Yes ☒ No	Section 194-B:9 indicates that public charter schools may limit enrollment to specific grade or age levels. Charter applicants are required to provide a description of the specific grades or age levels that they will serve in the charter application.
(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;	☐ Yes ☒ No	Section 194-B:1 states that a charter school must be secular. Section 194-B:7 states that to determine whether a proposed chartered school is a prohibited religious school, a 3-part test set forth by the United States Supreme Court shall be used: 1) the school shall have a secular purpose; 2) the school's primary effect shall neither advance nor prohibit religion; and 3) the school shall not foster 'excessive entanglement' between the school and religion.
(F) does not charge tuition;	☒ Yes ☐ No	Section 194-B:1 defines a public charter school as an open enrollment public school, operated independent of any school board and managed by a board of trustees. Yet, the statutes do not specify that a charter school 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, and Part B of the Individuals with Disabilities Education Act;	☐ Yes ☒ No	The General Assurances include an assurance related to compliance with the related discrimination, civil rights, and special education acts (2015, p. 1).
(H) is a school to which parents choose to send their children, and that admits students on the basis of a lottery, if more students apply for admission than can be accommodated;	☒ Yes ☐ No	Section 194-B:2, Item IV provides admission preference to a student who is a resident in the district where the school is located. Section 194-B:9, Item (c)(2) indicates that a school must use a lottery if the number of eligible applicants to the charter school exceeds the school's maximum published enrollment. Item (c)(3) states that if the number of eligible applicants to charter schools located inside and outside the school district exceeds the district's published maximum percentage of students authorized to attend the schools, the district must use a lottery as the basis for student eligibility in accordance with RSA 194-B:2,IV. Section 194-B:9, Item(c)(1) indicates that a public charter school may select pupils on the basis of aptitude, academic achievement, or need, provided that such selection is directly related to the academic goals of the school. The SEA provides guidance that notes that these selecting students based on ability is not allowed under the CSP grant. Lastly, the monitoring team found that three of the four subgrantees visited used lottery procedures that exceeded CSP nonregulatory guidance.
(I) agrees to comply with the same Federal and State audit requirements as do other elementary schools and secondary schools in the State, unless such requirements are specifically waived for the purpose of this program;	☐ Yes ☒ No	Section 194-B:3, Item II identifies audits as a required element of the charter application.
(J) meets all applicable Federal, State, and local health and safety requirements;	☐ Yes ☒ No	Section 194-B:8, Item II states that a charter school must comply with all applicable State and Federal health and safety laws, rules, and regulations.
(K) operates in accordance with State law; and	☐ Yes ☒ No	Section 194-B:8, Item I states that a charter school shall provide due process in accordance with State and Federal laws and rules.

| (L) has a written performance contract with the authorized public chartering agency in the State that 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. | ☐ Yes
☒ No | Section 194-B:3 (cc) requires that charter schools consult with the local school board to prepare a proposed contract which should include an assessment of students as well as an outline of the proposed accountability plan which clarifies expectations for evaluating the school's program.

See Indicator 2.1 for additional information about the performance contract between the grantee and its authorizer. |

Sources: *State Statutes (Chapter 194-B, Chartered Public Schools); Next Charter School, Enrollment; MC2, Application for the 2014-2015 School Year; Great Bay e Learning Charter School, Section I: 2014-2015 Student Application Form; Great Bay e Learning Charter School, Admission Process.*

Areas of Concern

- <u>School application procedures may create barriers to admission.</u> Three of the four subgrantees visited employed extensive application procedures that typically involved essays and interviews.

- <u>Inappropriate requests for information regarding students with disabilities.</u> All subgrantees required student applicants to disclose their IEP status in the application procedures. One subgrantee described the application process as particularly long for students with IEPs because the charter school requires a meeting with the sending school prior to accepting a student with an IEP.

- <u>Tuition-free schools.</u> The monitoring team could not find evidence in statute or other policies that describe charter schools as tuition-free.

- <u>Charter school operated by non-profit education foundation.</u> One subgrantee is operated by a non-profit education foundation, which requires that the school employ its Executive Director and an academic coach. Both of these positions are paid for by the CSP subgrant.

<u>Rating and Justification:</u> 1 – Grantee does not meet the indicator. While there is general alignment between the State and Federal definitions of charter school, the monitoring team has significant concerns regarding the lottery and enrollment procedures at several schools visited. Further, the monitoring team could not find evidence that charter schools are required to be tuition-free.

<u>Recommendations:</u> The SEA must ensure the lottery and enrollment procedures for all of its charter schools receiving CSP subgrants are in compliance with Federal standards at the time of the application and throughout the period of Federal funding.

Indicator 1.4: PEER REVIEW. The State uses a peer review process to review and select applications for assistance under this program.

<u>Observations:</u> According to the CSP Federal application, the CSP Program Director is responsible for the recruitment and selection of peer reviewers. The grant application also stated that the reviewers are to include charter school developers, charter school board members, operators, charter

school oversight committee members, State Board of Education members, other charter experts and NHDOE staff. Additionally, the application indicated that each subgrant application requires three reviews. However, the monitoring team found that reviewers for the subgrant applications were primarily NHDOE employees with expertise in curriculum. The SEA indicated that the selection of peer reviewers for the subgrant application is relationship-based, meaning that they recruit colleagues from their department and others who have previously served as reviewers of CSP subgrant applications. Furthermore, the CSP Program Director and Program Specialist serve as reviewers for a majority of the applications. Additionally, the majority of the subgrant applications only had two reviewers instead of three as specified in the Federal application.

NHCSP staff reported that they have three reviewers for the charter application, which include an NHDOE staff person, a community member, and a "random person." NHDOE recruits reviewers for the charter application through an established network of charter school leaders in the State.

New Hampshire's CSP Federal application stated that peer reviewers would be trained annually by NHCSP staff prior to reviewing applications. The application also stated that the training would include a review of the Federal charter school law, the New Hampshire charter school law, and the program's priorities and objectives. However, the monitoring team found that the SEA did not train reviewers as proposed. While the SEA provided reviewers with a folder containing the charter school law, application, rubric and documentation on allowable and unallowable expenses when reviewing a grant, it did not employ a formal procedure for training reviewers.

Table 1.4: PEER REVIEW.		
Elements of the State's peer review process.	Area of concern	Findings: Description of practices and any concerns related to how the SEA grantee conducts its peer review process.
Identification and notification to peer reviewers: The State's application states that the Grant Director will be responsible for recruitment and selection of peer reviewers.	☒ Yes ☐ No	The grantee did not have a formal means of identifying peer reviewers. Selection of the reviewers for the subgrant was described as "relationship-based" meaning that they select colleagues who work within the NHDOE.
Composition and qualifications of peer reviewers: The State's application states that peer reviewers will include charter developers, charter school board members, operators, charter school oversight committee members, State Board of Education members, other experts, and NHDOE staff.	☒ Yes ☐ No	The SEA did not include any reviewers outside of NHDOE to review subgrant applications. The SEA reported that they do not have a pool of external contacts from which to choose.

Reviewer guidance and training: The State's application indicates that peer reviewers would be trained annually by NHCSP staff prior to beginning their review of applications. The training would include a review of the Federal charter school law, the New Hampshire charter school law and the program priorities and objectives.	☒ Yes ☐ No	The current training provided by the grantee is cursory in nature and includes a folder that contains the charter school law, application, rubric and documentation on allowable and unallowable expenses. No other training was described.
Use of peer reviews to select applications for funding: The State's application indicates that the peer review process will require three reviewers per application. Each application will be read and scored to determine approval or disapproval of the application.	☒ Yes ☐ No	Documentation submitted by the grantee shows evidence of only two reviewers per subgrant application.

Sources: *CSP Federal Application (2010); NHDOE Start-Up Grant Application Evaluation Rubric; New Hampshire Review Criteria (2011); MC2, Charter Criteria Rubric; MC2 NHDOE Start-Up Grant Evaluation Rubric; Mill Falls Charter NHDOE Start-Up Grant Application Evaluation Rubric.*

Areas of Concern

- <u>Lack of peers in review process.</u> The grantee did not demonstrate evidence of peer reviewers used in the review of the subgrant applications.

- <u>Lack of sufficient training for reviewers.</u> The grantee did not demonstrate evidence of a reviewer training process that aligned to what was described in the approved application.

- <u>Fewer reviewers than proposed.</u> The grantee proposed to include three peer reviews of each subgrant application, but could only demonstrate two reviewers for each application.

<u>Rating and Justification:</u> 1 – Grantee does not meet the indicator. The SEA does not use a peer review process to review and select subgrants for award. Furthermore, the grantee did not demonstrate a sufficient peer review training process and the grantee uses fewer reviewers than proposed.

<u>Recommendations:</u> The SEA must use a peer review process that includes reviewers other than SEA staff and also appropriately train all reviewers.

Indicator 1.5: PROGRAM PERIODS. CSP subgrants awarded by the State do not exceed the maximum program periods allowed.

<u>Observations:</u> The SEA ensures that Planning and Implementation subgrants are used for a period of not more than 36 months via its online Grants Management System (GMS) and through the use of Excel spreadsheets. The Planning and Implementation subgrant RFP specifies that the grant is for a period of 36 months. The RFP also specifies that the planning and program design period is up to 18 months and that a school must open within 18 months of receiving the CSP grant in order to continue receiving funding. The monitoring team could not find evidence that the grantee provides similar information for the implementation phase of the subgrants. The SEA utilizes a similar

approach for tracking and issuing Dissemination subgrants. The Dissemination subgrant RFP specifies that the grant is for a period of 24 months. The SEA uses the online GMS and Excel spreadsheets to ensure that Dissemination subgrants do not exceed a two-year period.

The SEA issues the subgrant in annual increments, along with a Grant Award Notification (GAN) that indicates the award amount for the year and the award period. The SEA provided the monitoring team three GANs to review, two of which demonstrated inconsistent grant award periods. For examples, see the table below.

Grant Award Notifications	Subgrantee 1	Subgrantee 2	Subgrantee 3
Year 1 GAN	September 20, 2011 – September 20, 2012	August 1, 2012 – August 1, 2013	September 1, 2012 – September 1, 2014 (Dissemination subgrant)
Year 2 GAN	September 20, 2012 – September 20, 2013	September 1, 2013 – August 31, 2014	
Year 3 GAN	August 1, 2013 – July 31, 2014		

While this practice of overlapping implementation funding is not in and of itself an area of concern, taken together with the inconsistent grant award periods, the monitoring team is concerned that the State's current practices could be confusing for subgrantees and that individual subgrantees may not have a clear understanding of the grant award periods. For example, the CEO for one school noted above was unclear regarding contract periods. While she was clear that the CSP subgrant was for 36 months, she stated that the school's award date began at the point of their first draw down and ended 36 months later.

Table 1.5: PROGRAM PERIODS.		
CSP subgrants awarded by the State do not exceed the maximum program periods allowed of:	Area of concern	Findings: Description of practices and any concerns related to how the SEA grantee ensures that subgrant awards are used within the allowable time periods.
Not more than 3 years, of which the eligible applicant may use —	☐ Yes ☒ No	The Contract Period section of the Planning and Implementation subgrant RFP specifies that the start-up grant period is for 36 months. However, at least one subgrantee was not clear on when the 36-month period began; one subgrantee stated that the school's award began at the point of their first draw down and ended 36 months later. Grant Award Notifications (GANs) issued to each subgrantee annually indicated that annual subawards are for one year and one day (e.g., September 20, 2011 – September 20, 2012).

(A) not more than 18 months for planning and program design;	☐ Yes ☒ No	The Scope section of the Planning and Implementation RFP specifies that the "planning and training period" will be for up to 18 months after the grant funds are awarded; however, the school must open within 18 months of the grant award in order to continue receiving funding. CSP office staff indicated that subgrantees typically use the subgrant for approximately 12 months of planning. Yet, since the State has a rolling deadline for the CSP application, the actually length of the planning phase may depend on when the applicant submits their application.
(B) not more than 2 years for the initial implementation of a charter school; and	☒ Yes ☐ No	The two-year time period for initial implementation is not specified in the RFP or on the SEA's website; however, SEA staff explained that they make subgrantees aware of the 18-month cut-off for the planning and program design phase and the 36-month overall contract period.
(C) not more than 2 years to carry out dissemination activities described in Section 5204(f)(6)(B).	☐ Yes ☒ No ☐ NA	The Contract Period section of the Dissemination subgrant RFP specifies that the Dissemination subgrant award period is for no more than 24 months.

Sources: *Charter School Start-Up Grant Application, Competition for 2013-2014 School Year, RFP; NHDOE Charter School Dissemination Subgrants (2013-2014 School Year) RFP; Charter School Program Sub-Grantees, Grant Award Notification for Making Community Connections, Year 1; Charter School Program Sub-Grantees, Grant Award Notification for Making Community Connections, Year 2; Charter School Program Sub-Grantees, Grant Award Notification for Making Community Connections, Year 3.*

Areas of Concern

- <u>Lack of documentation regarding implementation award periods.</u> The grantee could not provide documentation of how it informs subgrantees about award periods for the implementation phase of funding.

<u>Rating and Justification:</u> 2 – Grantee partially meets the indicator. Although the monitoring team did not find any evidence that subgrantees used their CSP awards for more than 36 months, the grantee could not demonstrate that it provides sufficient documentation of all subgrant award time periods.

<u>Recommendations:</u> The grantee must ensure that its documents and materials adequately reflect stated program award periods.

2. CSP AND CHARTER SCHOOL QUALITY

One of the key goals of the CSP is to support and encourage the development of high-quality charter schools. To do so, the SEA needs to establish policies and practices that promote high-quality charter schools. This section focuses on how the SEA furthers high quality in authorizing practices, charter school flexibility and autonomy, subgrant assessment and awards, monitoring, dissemination of best or promising practices, and progress toward its own application objectives. It includes seven indicators that cover the State's role in:

- Providing for quality authorizer practices;

- Affording charter schools a high degree of flexibility and autonomy;

- Awarding CSP subgrants on the basis of the quality of the applications;

- Awarding subgrants to ensure geographic distribution and a variety of educational approaches across the state;

- Monitoring subgrantee achievement of project objectives;

- Disseminating best or promising practices of charter schools; and

- Meeting its application objectives.

Indicator 2.1: QUALITY AUTHORIZING PRACTICES. State laws, regulations, or other policies provide for quality authorizing practices and the SEA monitors and holds accountable the authorized public chartering agencies in the State so as to improve the capacity of those agencies to authorize, monitor, and hold accountable charter schools.

Observations: As noted above, the SBE and LEAs can authorize charter schools in New Hampshire, though LEA schools are also reviewed by the SBE. At the time of the monitoring visit, 17 schools were authorized by the SBE and one was authorized by an LEA.

Renewal. For SBE-authorized schools, the reauthorization process of a charter school begins by July 1 of the fourth year of operation with a final decision by the State Board of Education no later than April 1 of the fifth year of operation. The NHCSP conducts a comprehensive one-day site visit no later than one year before the end of its five-year term. The three-person review team consists of an experienced educator who is a team leader, a traditional school teacher, and a charter school teacher. The visit includes a review of school documentation and classroom observations, as well as interviews with administration, teachers, parents, and members of the Board of Trustees.

A renewal process has not been determined for the one LEA-authorized charter school. The school has not reached the end of their first contract. The NHCSP team indicated that it will work with the local authorizer to encourage the district to use the State's renewal process.

Assurances 3a and 3b. At the time of the monitoring visit, ED reported the SEA to be in compliance with Assurances 3a and 3b. Charter schools are required to submit periodic progress reports, outlined in the Charter School Accountability Process, which include attainment of the academic, financial, and organizational goals declared in the school's charter application and an annual financial audit. The NHCSP relies on information submitted by the school as part of its quarterly and annual progress reports and annual audits to report to the SBE on academic progress, compliance with State and Federal regulations, adherence to the governance rules for public schools, evidence of development of a sustainable organization, and financial accounting practices that meet accepted standards for public education agencies and organizations. By the end of its final contract year, the chartered public school must meet or exceed the academic test results or standards and goals as described in its application. If the school does not meet these results or standards and goals, it is not eligible for renewal of its charter. For the SEA's renewal process, it appears student

academic performance is the only eligibility requirement of consideration for renewal (other factors such as material violation of the charter or financial insolvency are considered for revocation). However, as noted above, the one authorizing LEA had not yet created a renewal process at the time of the monitoring visit.

High-Quality Authorizer Practices. Prior to submission of a charter application, the NHCSP staff and a coalition of charter school operators assist the developer in preparing the application. The NHCSP staff and a committee of peers evaluate the application to determine the quality of the proposal using the Charter School Evaluation Scoring Guide. An attorney reviews each proposed charter school application for legality purposes and provides a detailed written analysis of the conformity of the application to the charter school law. After the peer review, the Education Commissioner examines the application and identifies questions the SBE may have. It takes about eight months from the initial inquiry to the SBE taking action on the application.

The SEA did not provide policies or practices to ensure authorizers were operating according to established high-quality practices. The SEA does not have published guidance for local school districts choosing to authorize a charter school. The monitoring team did not find a resource for use by the local school districts for the charter renewal process. Pembroke School District, the only school district to authorize a charter school, will be starting the renewal process in 2015. The SEA is preparing to assist in the renewal process as this will be the first renewal in the state by a local school district. Lastly, the State has not enacted any laws, regulations, or policy regarding authorizer monitoring and oversight nor did the grantee demonstrate practices that include the regular monitoring and oversight of authorizers.

Closures. According to the NHDOE website, four charter schools have closed. The first closed in June 2006 and the most recent closure occurred in June 2010, prior to the start of the current CSP grant. Lack of sufficient student enrollment and related financial concerns were cited as reasons for the closures. The monitoring team found no evidence of closures of any current subgrantees.

Table 2.1: QUALITY AUTHORIZING PRACTICES.		
Federally defined quality authorizing practices	Area of concern	Findings: Description of how quality authorizing practices are required by State law, regulation, or other policies and how are these policies implemented.

Charter or performance contracts describe the obligation and responsibilities of the school and the authorizer.	☐ Yes ☒ No	The charter school application serves as the charter school contract and the performance contract for SBE- and LEA-authorized schools. The charter school contract/application includes a description of:
		• Educational Mission;
		• Governance and organizational structure;
		• General description and proposed or potential location of facilities;
		• Maximum number, grade or age levels of students;
		• Curriculum that meets or exceeds State standards as well as academic and other learning goals and objectives and achievement test(s) to be used;
		• Graduation requirements;
		• Staff Overview, including personnel compensation plan;
		• Pupil transportation plan;
		• Assurances related to non-discrimination;
		• Method of coordinating with a pupil's LEA for matters pertaining to any special education program;
		• Admission procedures, student governance, and discipline process and procedures;
		• Method of administering fiscal accounts and reporting, as well as annual budget and insurance coverage;
		• School calendar;
		• Parent involvement and philosophy of parent involvement;
		• Identity of consultants to be used (if any).
		According to the NH charter school law, the authorizer is to provide oversight and monitor the performance of the charter school in student performance and financial indicators.
Charter schools submit annual financial audits to the authorizer.	☐ Yes ☒ No	According to the Charter School Reporting Schedule, all charter schools submit (for the prior school year) an Annual Financial Report by September 1. The Annual Financial Report includes a budget summary and profit/loss statement. Schools must also submit an independent external financial audit to the NHCSP by September 30.
Charter schools are held accountable to demonstrate improved student academic achievement.	☐ Yes ☒ No	Conditions for renewal of a charter school are defined in RSA 194-B:16 (VI) as the chartered public school meeting or exceeding objective academic test results or standards and goals as set forth in its application by the end of its final contract year.

Authorizers use student academic achievement for all groups of students as the most important factor when determining to renew or revoke a school's charter and provide for the continued operation of successful charter schools.	☐ Yes ☒ No	Student academic achievement is the eligibility criterion for renewal. Additional factors are considered for revocation as: • Material violation of any of the conditions, standards, or procedures in charter application and contract. • Failure to meet generally accepted standards for fiscal management. • Significant violations of the law. • Material misrepresentation in application or contract application. • Financial insolvency or instability.
The SEA monitors and holds accountable authorized public chartering agencies, so as to improve the capacity of those agencies to authorize, monitor, and hold accountable charter schools. The grant application indicates authorizers are required to submit an annual report summarizing their authorizing activities as well as the performance of authorized schools. The information is verified independently through the NHDOE Bureau of Accountability and Assessment and the NHCSP office.	☒ Yes ☐ No	There was no evidence that the SEA monitors the authorization efforts of local school districts. The SEA did not provide evidence of an annual report from the LEA authorizer (Pembroke) submitted to the SEA as indicated in the approved grant application.

Sources: http://www.education.nh.gov/instruction/school_improve/charter/approved.htm; http://www.education.nh.gov.instruction/scool_improve/charter/cs_renewalprocess.htm; New Hampshire Charter School Accountability Process, New Hampshire Department of Education, Revised October 2006, p. 5; Charter School Reporting Schedule (11/8/13); http://www.education.nh.gov/instruction/school_improve/charter/documents/full_reporting13_14.pdf; *New Hampshire Statutes (RSA 194-B:16 (VI))*

Areas of Concern

- <u>SEA oversight of local authorizers.</u> The SEA has limited statutory or operational authority to monitor and hold accountable other authorized public chartering agencies to improve the capacity of those agencies to authorize, monitor, and hold accountable charter schools, and has not taken steps to develop policies for such oversight.

Promising Practices

- The New Hampshire Charter School Accountability Process outlines the requirements for a charter school's periodic reports. It is used by all charter schools to guide the submission of all charter school reports to the NHDOE. It is used as the basis for the NHDOE to report to the authorizer and for the charter school renewal process. http://www.education.nh.gov/instruction/school_improve/charter/documents/account_process.pdf

Rating and Justification: 2 – Grantee partially meets the indicator. While the SEA was found to be compliant with Assurances 3a and 3b, the monitoring team could not find evidence that the SEA has a mechanism in place to monitor LEA authorizers to ensure that they authorize, monitor, and hold accountable locally authorized charter schools.

Recommendations: The SEA needs to strengthen its monitoring and oversight of authorizers within the confines of State law to improve the capacity of local authorizers to authorize, monitor, and hold accountable charter schools.

Indicator 2.2: FLEXIBILITY AND AUTONOMY. The SEA affords a high degree of flexibility and autonomy to charter schools.

Observations: According to the New Hampshire law, SEA- and locally authorized charter schools must operate with a high degree of autonomy. The charter schools' Board of Trustees operates as a non-profit corporation and may sue and be sued, acquire property, make contracts, incur debt, and operate as any other non-profit in New Hampshire. The State Board of Education's control over SEA- and locally authorized charter schools is limited by statute to anti-discrimination measures, State and Federal health and safety standards, compulsory attendance laws, and statewide pupil assessment/evaluation.

Subgrantees affirmed a high degree of flexibility and autonomy from the State authorizer. For example, a parent whose child was enrolled at a subgrantee charter school described the school's flexibility to adjust the grading system, which was much different from her experience in a traditional school. Another comment from NHCSP staff indicated flexibility in allowing multiple measures to assess student success as opposed to a test score.

Table 2.2: FLEXIBILITY AND AUTONOMY.		
Areas for charter school flexibility and autonomy.	**Area of concern**	**Findings: Description of practices and any concerns related to how the SEA grantee affords charter schools flexibility and autonomy in each area.**
Budget/Expenditures: The grant application states that school finances are provided by the State using a per-pupil formula and that the State legislature amended the law in 2006 to allow funds to be sent directly from the legislature to each charter school. The State does not dictate how funds are used and does not limit a charter school from raising more funds from philanthropic or business venues.	☐ Yes ☒ No	Charter schools are considered their own LEAs, except for special education which is provided by the school district of residence. Subgrantees report a high degree of flexibility and control over their funding and there is not marked difference between SEA- and LEA-authorized schools.

Personnel: The grant application notes several State laws that influence charter school personnel. • RSA 194-B:13((V) specifies that charter schools' Boards of Trustees are considered the public employer for the purpose of collective bargaining. • RSA-B:14(I,II,II) specify employees of charter schools are considered public employees for the purposes of collective bargaining and may participate in the State teacher retirement system. • RSA 194-B:14((V) says at least 50% of the charter school teaching staff must either be certified by New Hampshire or have at least three years of teaching experience. • RSA 194-B:5 (e) (I-II) gives charter schools' Boards of Trustees complete authority for selection, hiring and firing of charter school personnel.	☐ Yes ☒ No	As their own LEAs, charter schools have the flexibility, within established State statute, to establish their own personnel policies and to hire and fire staff as necessary. A school's Board of Trustees has control to hire and fire. There was no evidence of charter school teachers participating in collective bargaining; however, it was apparent the schools were participating in the State retirement system.
Daily Operations: The grant application states that each charter school's budget and expenditures is approved by its Board of Trustees and managed on a daily basis by the school's director.	☐ Yes ☒ No	New Hampshire charter schools demonstrated various types of curricular and instructional approaches. For example, the schools visited provided project-based learning to meet the needs of students who were not successful in previous educational setting. The curricular and instructional approaches were those proposed in the charter schools application by the board of trustees. Parents at subgrantees referred to the sense of community, field experiences, hiking with a science focus, and visits to art museums that encouraged students to engage with their environment.

Sources: RAS 194-B8 (http://www.gencourt.state.nh.us/rsa/html/XV/194-B/194-B-5.htm; *State statutes: RSA 194:B5, B13, B14; New Hampshire PCSP Grant Application.*

Rating and Justification: 3 – Grantee fully meets the indicator. Charter schools in New Hampshire have a high degree of flexibility and autonomy afforded under State law.

Recommendations: None.

Indicator 2.3: SUBGRANTEE QUALITY. The SEA awards grants to eligible applicants on the basis of the quality of the applications submitted.

Observations: As written in the Semi-Annual Update for the New Hampshire Charter Schools Program (November 9, 2012), the definition of charter school quality includes evidence of: a strong mission statement and adherence to that mission, high standards and expectations for all students, healthy and supportive school environment to promote student success, financial sustainability,

diverse and focused Board of Trustees, effective school leadership, curriculum aligned with Common Core State Standards, and innovative ideas in order to provide educational opportunities for students. The SEA assesses the quality of charter schools using a four-question framework:

- Is the school making progress towards achieving its mission?
- Is the school responsibly using public funds?
- Is the school promoting student attainment of expected knowledge/skills?
- Is the school sustainable?

Subgrant Award Process. The Planning and Implementation scoring rubric scores applications against eight categories. The scores and recommendations from the review panel form the basis for the award negotiation and final selection. Scores from reviewers are averaged and if the resulting scores are below the 75 percent needed for award, the NHCSP staff consult with the subgrantee and assist them with necessary changes. All subgrantee awards meet the 75 percent score minimum prior to funding.

All authorized charter schools have received CSP funding to date. Subgrant funds are awarded according to a funding matrix that takes in to account the size of the student body, the grades served, and whether or not the school applied for priority funding to serve at-risk students.

Dissemination Subgrants. The SEA examines success on the NECAP (New England Common Assessment Program) and annual accountability reports to determine Dissemination eligibility. Funding priority for Dissemination subgrants was given to secondary charter schools demonstrating successful practices to improve student achievement. Similar to the Planning and Implementation subgrants, Dissemination applications were reviewed by two NHCSP staff and the Dissemination subgrants are awarded to applicants scoring at least 75 percent against the published rubric. However, there was no evidence that the SEA works with Dissemination subgrantees to provide technical assistance to strengthen Dissemination subgrant application after they have been reviewed. Rather, the timing of such conversations typically took place prior to the office submission of the Dissemination subgrant applications.

Table 2.3: SUBGRANTEE QUALITY.		
SEA efforts to award grants on the basis of quality	Area of concern	Findings: Description of practices and any concerns related to how the SEA grantee awards grants on the basis of quality.

The SEA's Planning and Implementation application criteria for subgrantee and application The grant application noted that the State has established grade-level and grade-span expectations for elementary and secondary schools and that charter schools are expected to meet or exceed these academic requirements. This would ensure that charter schools in the state maintain a high level of quality. The grant application noted that the subgrant review criteria could include, but is not limited to, the following: • Uniqueness and ambitiousness of the school; • Commitment to quality curriculum for target populations; • Reasonableness of financial request; • Reasonableness of budget plan for sustainability; • Adequacy of work plan to achieve objectives; and • Technical capacity of Board of Trustees.	☒ Yes ☐ No	Points are awarded for each section as follows: • Uniqueness and ambitiousness of the proposed school (15 points); • Commitment to quality in curriculum including the assessment program for monitoring student achievement (10 points); • Reasonableness of the financial request in terms of the size and needs of the charter school (10 points); • Persuasiveness that the funding is truly to establish a successful independent-chartered public school (10 point); • Reasonableness of the budget plan for financial sustainability (15 points); • Adequacy of the work plan to achieve the objectives on time and within budget, including clearly defined timelines milestones for accomplishing project tasks (15 points); • The technical capacity to assure a well-managed and successful independent public school (10 points); • School's supports, from organizations, community, parents whose support could help the school thrive (15 points). The criteria used to evaluate Planning and Implementation subgrants do not include a review of specific subgrantees goals/objectives.
How the SEA uses these criteria to review and award CSP subgrant applications: The grant application states that Planning and Implementation (P/I) subgrants will be awarded on an ongoing basis to applications that score at least 75% against the published rubric. Secondary charter schools targeting at-risk students in Districts in Need of Improvement will receive priority funding. After applications are reviewed and scored, applicants will receive notification of the status of their application and a copy of each reviewer's comments. Successful applicants must make any necessary revisions and provide necessary documentation prior to release of funds.	☐ Yes ☒ No	The Planning and Implementation and Dissemination subgrants are awarded on an ongoing basis to applications scoring at least 75% against the published rubric. As a result of technical assistance from the SEA, all charter schools authorized during the grant period have received Charter School Program funds. For schools serving secondary students, "priority funding,' additional funds, are given to charter school Planning and Implementation applications that will: 1) assist at-risk and underserved students in meeting challenging State academic standards and completing high school, and 2) provide new school options not available in geographic areas such as the mountainous regions of rural New Hampshire, in which a large proportion or number of public schools have been identified for improvement or corrective action.

The SEA demonstrates a high-quality process to determine the quality of the CSP applicant and application, including considering the review of the applicant during the charter authorization process (i.e. use of rubrics, hearings, rigor). The grant application did not state any more information other than the "cut" score of the subgrant application.	☐ Yes ☒ No	All applicants must have submitted a charter application to the SEA prior to being considered eligible for a subgrant. The State Board of Education has to authorize or approve all charters. The SEA assists charter school applicants with the charter school application and provides any necessary technical assistance. Because the SEA is so involved with the charter application process, the subgrant application seems to be more about the budget.

Sources: *CSP Federal Application; New Hampshire PCSP Grant Application; Charter School Start-Up Grant Application, 2013-14 School Year.*

Areas of Concern

- Subgrant Criteria and Review: The subgrant review and selection process did not include a review of the goals and objectives of the subgrant.

Rating and Justification: 2 – Grantee partially meets the indicator. While the SEA has established criteria to assess the quality of subgrant applications, said criteria do not include the consideration of the applicant's goals/objectives for the subgrant.

Recommendations: The SEA should strengthen its subgrant application review process to ensure that it is able to assess the quality of subgrant projects.

Indicator 2.4: DISTRIBUTION OF SUBGRANTS. The State awards subgrants in a manner, to the extent possible, to ensure that such subgrants: a) are distributed throughout different areas of the state, including urban and rural areas; and b) will assist charter schools representing a variety of educational approaches.

Observations: The SEA awards priority funding to those subgrantees serving secondary students that 1) assist at-risk and underserved students in meeting challenging State academic standards and completing high school, and 2) provide new school options not available in geographic areas such as the mountainous regions of rural New Hampshire, in which a large proportion or number of public schools have been identified for improvement or corrective action. Two of the eight schools currently funded have received priority funding, due to their location in the state or serving at-risk and underserved students.

Most of the charter schools receiving Planning and Implementation subgrants are located in the southern, more populous part of New Hampshire. Education approaches of subgrantees currently funded range from project-based middle and high schools to Montessori elementary schools.

Table 2.4: DISTRIBUTION OF SUBGRANTS.		
Categories of award distribution in the State as required by Federal statute.	Area of concern	Findings: Description of practices and any concerns related to how the SEA grantee distributes awards throughout different areas of the state and across a variety of educational approaches.

Geographic distribution: The State proposed to provide priority funding to schools that located in areas that did not have established charter schools, such as those in the mountainous regions of rural New Hampshire in which a large proportion or number of public schools are identified for improvement or corrective action.	☐ Yes ☒ No	The Commissioner of Education and the NHCSP staff have stated a commitment to assisting new charter schools in more rural parts of New Hampshire. To that end, the SEA has implemented its proposed funding priority for schools in rural areas of the state. The majority of charter schools in New Hampshire are located in the southern, more populous area. One currently funded school is located in north New Hampshire in a mountainous region.
Educational approach: The State proposed to provide priority funding to schools proposing to increase the academic achievement of students who are at greatest risk of not meeting the State's academic standards but did not specify targeted educational approaches.	☐ Yes ☒ No	Two of the eight schools that have opened since the 2010 CSP grant received priority funding for being secondary schools serving high-risk students. Other charter schools in the state include a variety of educational approaches such as PBL and Montessori.

Sources*: Federal CSP Application; New Hampshire PCSP Grant Application; New Hampshire Public Charter Schools (map); CSP Data Collection Form_NH10)(June_2013).*

Rating and Justification: 3 – Grantee fully meets the indicator. The State utilizes priority funding in the subgrant competition to promote schools in rural areas and/or underperforming districts.

Recommendations: None.

Indicator 2.5: SUBGRANTEE MONITORING. The SEA monitors subgrantee projects to assure approved grant and subgrant objectives are being achieved.

Observations: NHCSP staff identified the yearly charter school accountability report required of each charter school as a means for monitoring charter schools, as well as regular desk monitoring and occasional, as needed on-site visits. However, the monitoring team did not find sufficient evidence that the grantee's monitoring activities adequately include subgrant projects, goals, and objectives.

Desk Monitoring. All charter schools submit board meeting minutes, quarterly financial reports, and an annual accountability report to the NHCSP. Additionally, subgrantees supply monthly progress reports and/or summaries to the SEA. These summaries can include descriptions of school progress, equipment purchases, public announcements or advertising, and hiring or contracting activities. The NHCSP staff reviews the monthly reports through the SEA's grant management system. The grant application states the NHCSP staff will contact each subgrantee to ensure progress is made toward subgrant project objectives. However, the monitoring team could not find evidence in the monthly reports that speaks directly to the subgrant goals and objectives. As noted above, the annual report includes school responses to four questions regarding progress, use of funds, achievement, and sustainability.

On-site Monitoring. As determined by the NHCSP staff, an on-site review of the subgrantee's school will be conducted to provide help and technical support. Reviews would be conducted by

NHCSP staff as necessary. The grantee did not provide evidence of monitor training or a tool used to guide on-site monitoring efforts. As of the monitoring visit, no on-site reviews had occurred. Rather, the charter schools visited indicated the NHCSP staff visit schools for celebrations or to drop in informally.

Other SEA Monitoring. Charter schools are their own LEAs, except for special education services and responsibilities. Special education is provided by the student's resident district. When the SEA conducts special education monitoring, charter school student files are selected at random, as any other student files would be selected. Charter schools that receive Title I funds are monitored as all other traditional schools.

Table 2.5: SUBGRANTEE MONITORING.		
Elements of subgrantee monitoring.	Area of concern	Findings: Description of practices and any concerns related to how the SEA grantee carries out its subgrantee monitoring.
SEA regularly monitors subgrantee projects: The grant application states NHCSP staff will initiate contact with each subgrantee to ensure progress is made toward subgrantee's project objectives and if indicated, the SEA will conduct an on-site review of the subgrantee's school to provide help and technical support. Lastly, the application indicates that the SEA will monitor subgrantee's achievement goals annually.	☒ Yes ☐ No	The NHCSP staff receive an annual charter report for all charter schools concerning student achievement goals as stated in individual charters. However, subgrant project objectives are not included in existing reporting efforts. Furthermore, the SEA did not have an established schedule for the purpose of on-site monitoring of subgrantees (though it does conduct other on-site monitoring to a subset of charters each year).
SEA selects subgrantees to be monitored using a risk-based or other strategic approach: The grant application did not mention how the SEA would select subgrantees for monitoring.	☒ Yes ☐ No	The State does not have a strategic approach in place to monitor subgrantees. All charter schools are required to submit annual reports, but the SEA does not have a schedule or selection strategy in place for on-site monitoring.
SEA uses trained monitors to monitor subgrantee projects: The grant application did not specify how the SEA would train monitors.	☒ Yes ☐ No	The SEA did not provide evidence that it has trained monitors to conduct on-site visits to monitor subgrantee projects.
SEA monitoring processes allow it to assess a subgrantee's progress in meeting the performance objectives outlined in its subgrant application: The grant application states NHCSP staff will initiate contact with each subgrantee to ensure progress is made toward subgrantee's project objectives and monitor subgrantee achievement goals annually; however, it does not specify how this will be done.	☒ Yes ☐ No	NHCSP staff visit 2-3 charter schools each year, including those that are not subgrantees. The purpose of the site visit revolves around technical assistance and is not specifically related to the subgrant projects. Each charter school submits a yearly charter school accountability report, which must address the mission of the school. The accountability reports are required of all charter schools and are not specific to the subgrantee's goals or objectives.

SEA monitoring processes support subgrantee projects in meeting SEA performance objectives: The grant application did not address how the SEA's monitoring process would support subgrantee projects in meeting SEA performance objectives.	☒ Yes ☐ No	The grantee does not monitor specifically for this.
SEA monitoring processes allow it to assess a subgrantee's fiscal control and fund accounting procedures: Quarterly reports are required by law for each charter school and consist of a balance sheet, revenue and expenditure statement, and a financial report.	☐ Yes ☒ No	Quarterly financial reports are required of all charter schools. The NHCSP staff reviews all reports for consistency in spending. Requests for reimbursement are submitted electronically through the Online Grants Management System (OGMS). Requests may be submitted at any time and are paid twice a month. Requests do not typically include back-up documentation, but the subgrantees do indicate on the request how the funds were used.
SEA monitoring includes formal follow-up or corrective action plans for identified deficiencies: The State application did not address formal follow-up or corrective action plans.	☒ Yes ☐ No	The SEA does not have procedures for formal follow-up or corrective action plans for identified deficiencies.

Sources: *2010 84.282A New Hampshire CSP application; The New Hampshire Charter School Accountability Process; Charter School Reporting Schedule (11/8/13).*

Areas of Concern

- <u>Limited subgrant monitoring.</u> The NHCSP collects the Charter School Accountability Report from each charter school, but does not differentiate between subgrant project goals and charter school goals when reviewing the reports. As a result, there is very little subgrant related monitoring occurring.

<u>Rating and Justification:</u> 1 – Grantee does not meet the indicator. The SEA monitors reimbursement requests, but does not appear to be directly monitoring subgrantee projects to assure approved grant and subgrant objectives are being achieved.

<u>Recommendations:</u> The SEA needs to strengthen its efforts to monitor subgrantee projects to assure the approved grant and subgrant objectives are achieved.

Indicator 2.6: DISSEMINATION OF BEST OR PROMISING PRACTICES. The State disseminates best or promising practices of charter schools to each local education agency in the State.

<u>Observations:</u> The SEA's intent throughout the dissemination process is to share information with other public schools and LEAs through both the Dissemination subgrants as well as other SEA-led efforts. For example, one Dissemination subgrantee has shared its student-centered approach to

learning and its "student voice process" with other charter schools and LEAs by producing a video to assist other schools in emulating the process. This subgrantee is partnering with at least one other traditional school. Additionally, the SEA has produced several promotional brochures that highlight the innovative practices of several schools in the state, including many charter schools. These brochures are often shared with the State legislators during key legislative periods.

However, as noted in the application, the monitoring team did not find specific evidence of the two strategically located workshops mentioned in the grant application. Rather, the SEA, with the State charter schools association conducted a well-attended conference with a focus on charter schools' best and promising practices. The one-day conference had four sessions. Each session had an average of eight presentations. The third-year conference had sessions ranging from "Bringing Rigor and Relevance Into Today's Classroom" to "Educator or Bean Counter? Balancing the 'Business' of Education in a NH Charter School." Lastly, one charter school, which is located in a region with high numbers of new Americans and economically challenged populations, was featured in EdWeek for its innovative grade 7-12 school.

Table 2.6: DISSEMINATION OF BEST OR PROMISING PRACTICES.		
Elements of dissemination of best or promising practices.	**Area of concern**	**Findings: Description of practices and any concerns related to how the SEA grantee implements the elements of its dissemination of best or promising practices of charter schools to each LEA in the State.**
Identification and selection of best or promising practices:	☐ Yes ☒ No	The sessions for the conference are selected by the monthly charter school leadership group from needs identified during the monthly meetings. The best practices are self-identified by the group as needed for the practitioners.
Dissemination of best or promising practices of charter schools to each LEA in the State: Two strategically located professional development workshops would be held annually on charter development, Dissemination grant writing, and charter school best practices to help charter school developers. An annual charter school conference is also held each year focusing on charter school best practices, student achievement, and research-based practices emerging as the most successful in meeting the needs of at-risk students.	☒ Yes ☐ No	The SEA has monthly meetings with the charter school leaders, where charter schools share their best practices with each other; however, there was not a plan in place to disseminate best or promising practices to each LEA in the State. Charter schools regularly participate in conferences. The New Hampshire Public Charter School Association sponsors an annual conference where charter schools present best practices. One charter school presented at the National School Boards Association National Conference in March 2014. Two charter schools presented their best practices at the New England Secondary School consortium. One Dissemination grant recipient is working with traditional schools to disseminate their "Student Voice" best practice. The SEA has on numerous occasions disseminated brochures to the State legislature outlining innovative school practices, including those of charter schools.

Sources: *2010 84.282A New Hampshire CSP application.*

Area of Concern

- Limited dissemination to all LEAs in the state. Though charter schools participate in a wide variety of conferences, there was not a clear strategy to ensure that best practices are disseminated to all LEAs in the state.

Promising Practices

- Dissemination of charter school best practices. In concert with the SEA, charter schools meet monthly in person and share best practices among themselves. Immediately prior to the monthly meeting the charter school association has a meeting with charter school leaders to prepare for the annual conference and discuss other issues. Dissemination subgrantees have successfully shared innovative practices with other charter schools and LEAs through connections with various State organizations.

- Dissemination of innovations to Legislature. The SEA produces a well-designed four-page handout complete with pictures of students. The handout is given to members of the legislature each year during the session. Each handout includes a one-column letter from the Commissioner of Education and two to three paragraphs about innovative schools, which of course include charter schools.

Rating and Justification: 2 – Grantee partially meets the indicator. The SEA does not have a plan to actively disseminate the best practices of charter schools to all LEAs in the state.

Recommendations: The grantee is encouraged to continue its effort to include and highlight charter schools in its monthly charter leader meetings and the Annual Conference and to consider additional ways to actively share best practices of charter schools with every LEA in the state.

Indicator 2.7: ACHIEVEMENT OF APPLICATION OBJECTIVES. The State demonstrates substantial progress in meeting its application objectives.

Observations: The grantee demonstrated partial progress toward accomplishing its objectives. Of the 16 performance measures, nine were met, one was not met, and one was in progress. Additionally, the monitoring team was unable to assess performance on five performance measures. As written, some performance measures lacked sufficient detail and were hard to measure or the SEA did not have sufficient data collection strategies in place. For example, for performance measure 3b (increased knowledge and awareness of charter school best practices by other charter schools and LEAs), the SEA provided in the APRs lists of meetings and conferences that charter schools attend and share best practices, but did not provide evidence of increased knowledge or awareness.

Because of the State's ESEA waiver and a change to the State's testing schedule, statewide student achievement data for the remaining years of the grant may be difficult to provide. Prior to 2013, New Hampshire tested its students in October of a given school year; for the 2013-14 school year, NECAP was administered in October 2013. However, moving forward, the State will be

administering the test in the spring. Consequently, the next administration of NECAP is not planned until spring 2015.

External Evaluation. The grantee has not contracted for an evaluation for its CSP grant, as proposed in its grant application. The approved application stated that an external evaluator would be hired by December 2011; however, as of May 2014, the grantee had yet to do so. The Project Director indicated the lack of CSP administrative dollars was a barrier to hiring a quality evaluator and there were no clear plans to develop an external evaluation in the remaining time of the grant.

Table 2.7: ACHIEVEMENT OF APPLICATION OBJECTIVES. Objective 1: Increase the number of high-quality charter schools in New Hampshire, particularly those serving educationally disadvantaged students most at-risk in rural and urban setting.		
Performance Measure (How is the grantee measuring progress?)	**Data Collection Activities** (What data are being collected? How? By whom?)	**Progress** (To what extent has the goal been accomplished so far?)
Performance Measure 1a: Twenty new charter schools in operation by 2015.	SEA administration collects and tracks the number of new charter schools.	☐ Measure Met ☐ Not Met ☐ Unable to Assess **For future goals only:** ☐ In Progress ☒ Insufficient Progress	2010-11: 0 schools opened in Fall 2010. 2011-12: 1 school was opened in Fall 2011 2012-13: 6 schools were opened in Fall 2012. 2013-14: 1 school was opened in the Fall 2013
Performance Measure 1b: At least five of the new charter schools opened will be secondary schools targeting students at-risk.	SEA administration collects and tracks the number of new secondary charter schools opening.	☐ Measure Met ☐ Not Met ☐ Unable to Assess **For future goals only:** ☒ In Progress ☐ Insufficient Progress	2010-11: 0 secondary schools opened serving at-risk students. 2011-12: 1 secondary school opened serving at-risk students 2012-13: 2 secondary schools opened serving at-risk students 2013-14: 1 secondary school opened serving at-risk students
Performance Measure 1c: At least 85% of charter schools will meet Adequate Yearly Progress (AYP) by year two of the grant, currently 81.81%.	NHCSP uses NECAP scores to assess AYP (formerly) and now AMOs. 2013-14 is the first year the State is using AMOs to measure success instead of AYP.	☒ Measure Met ☐ Not Met ☐ Unable to Assess **For future goals only:** ☐ In Progress ☐ Insufficient Progress	2010-11: 100% met AYP 2011-12: 91% met AYP 2012-13: 85% met AYP 2013-14: Data not available
Objective 2: *Use PCSP funds to improve student achievement for secondary charter school students and increase graduation rates.*		
Performance Measure (How is the grantee measuring progress?)	**Data Collection Activities** (What data are being collected? How? By whom?)	**Progress** (To what extent has the goal been accomplished so far?)
Performance Measure 2a: At least 80% of charter school students will meet or exceed statewide average assessment scores (NECAP) by year 3 of the grant, currently 75.27%.	NHCSP staff review grades 3-8 and 11 student achievement data from math and reading collected from NECAP.	☒ Measure Met ☐ Not Met ☐ Unable to Assess **For future goals only:** ☐ In Progress ☐ Insufficient Progress	2010-11: 100% 2011-12: 76% 2012-13: 85% 2013-14: Data not available

Performance Measure 2b: The graduation rate for charter school students (including programs serving students at-risk) will continue to meet or exceed the statewide average.	NHCSP averages the percentages for all schools using a 4-year cohort rate. At the time of the grant application, the State average was 86.7%.	☐ Measure Met ☒ Not Met ☐ Unable to Assess **For future goals only:** ☐ In Progress ☐ Insufficient Progress	2010-11: Data not provided 2011-12: 65% charter school graduation rate 2012-13: 66% charter school graduation rate 2013-14: Data not available
Performance Measure 2c: Existing charter schools that have improved secondary student achievement will highlight and share their progress at annual state conference.	NHCSP works with the NH Public Charter School Association to collect the data.	☒ Measure Met ☐ Not Met ☐ Unable to Assess **For future goals only:** ☐ In Progress ☐ Insufficient Progress	2010-11: 1 charter presented 2011-12: 3 charters presented 2012-13: 4 charters presented 2013-14: 7 charters presented
Performance Measure 2d: Partnerships developed between high-performing charter schools and charter schools working to raise student achievement.	Partnership data are not formally collected. NHCSP staff keep informal records from monthly leadership meetings.	☒ Measure Met ☐ Not Met ☐ Unable to Assess **For future goals only:** ☐ In Progress ☐ Insufficient Progress	2010-11: 13 partnerships 2011-12: 4 partnerships 2012-13: 4 partnerships 2013-14: 3 partnerships
Performance Measure 2e: 85% of charter school students will meet or exceed personally established goals set by students themselves that are measurable and recorded in the annual report of their charter schools.	Data are not formally collected. NHCSP staff review charter schools' annual reports which can include this information. NHCSP staff have examples of students setting goals each day but it is unclear how these data are measured.	☐ Measure Met ☐ Not Met ☒ Unable to Assess **For future goals only:** ☐ In Progress ☐ Insufficient Progress	2010-11: 100% 2011-12: 85% 2012-13: 85% 2013-14: Data not available

Objective 3: *Support the dissemination of charter schools best practices to other public schools and LEAs.*

Performance Measure (How is the grantee measuring progress?)	Data Collection Activities (What data are being collected? How? By whom?)	Progress (To what extent has the goal been accomplished so far?)	
Performance Measure 3a: Up to three Dissemination grants awarded each year.	NHCSP staff collects data on the number of Dissemination subgrants awarded.	☒ Measure Met ☐ Not Met ☐ Unable to Assess **For future goals only:** ☐ In Progress ☐ Insufficient Progress	2010-11: 2 Dissemination awards 2011-12: 2 Dissemination awards 2012-13: 2 Dissemination awards 2013-14: 1 Dissemination award

Performance Measure	Data Collection Activities		Progress
Performance Measure 3b: Increased knowledge and awareness of charter school best practices by other charter schools and LEAs.	NHCSP staff keep anecdotal notes about presentations of charter school best practices to other entities. However, the SEA does not track increased knowledge and awareness of other charter schools and LEAs.	☐ Measure Met ☐ Not Met ☒ Unable to Assess **For future goals only:** ☐ In Progress ☐ Insufficient Progress	2010-11: Data not provided 2011-12: 2012 Annual Charter School Best Practices Conference; 1 meeting for charter board members about best practices in governance; monthly Charter School Leaders' meeting (attendance required). 2012-13: Monthly Charter School Leaders' meetings (attendance required); Charter School Best Practices Conference 2013-14: Two charter schools presented at the New England Secondary School Consortium (both charters and traditional schools)
Performance Measure 3c: Workshops and statewide conference attended by charter school developers.	NHCSP staff keep anecdotal notes of charter school developer's professional development activities.	☒ Measure Met ☐ Not Met ☐ Unable to Assess **For future goals only:** ☐ In Progress ☐ Insufficient Progress	2010-11: Data not provided 2011-12: 2012 Annual Charter School Best Practices Conference; August 2012 charter developers attended ½ day training about yearly reporting requirements 2012-13: Charter school developers invited to the Annual Charter School Best Practices Conference 2013-14: Data not available
Performance Measure 3d: Dissemination grant recipients share their knowledge of charter school best practices with others at annual charter conference.	NHCSP staff keep anecdotal notes of where Dissemination grant recipients share and present.	☒ Measure Met ☐ Not Met ☐ Unable to Assess **For future goals only:** ☐ In Progress ☐ Insufficient Progress	2010-11: Data not provided 2011-12: Dissemination subgrantees presented at Annual Conference. 2012-13: Dissemination subgrantees presented at Annual Conference; charter school leaders' monthly meetings. 2013-14: Dissemination subgrantees presented at Annual Conference; charter school leaders monthly meetings

Objective 4: *Empower charter schools to become strong independent organizations and support charter school efforts to be fiscally responsible.*

Performance Measure (How is the grantee measuring progress?)	Data Collection Activities (What data are being collected? How? By whom?)		Progress (To what extent has the goal been accomplished so far?)
Performance Measure 4a: Each year at least 80% of all subgrantees participating in technical workshops will report an increased knowledge and awareness of charter school governance and fiscal responsibility.	There are no direct data collection efforts related to this performance measure. It is unclear what data the SEA has drawn from for previous APRs. The electronic survey conducted by the Charter School Association does not collect this specific data.	☐ Measure Met ☐ Not Met ☒ Unable to Assess **For future goals only:** ☐ In Progress ☐ Insufficient Progress	2010-11: 100% as per APR Year 1 2011-12: Based upon majority feedback from subgrantees, 80% via an Association survey. 2012-13: No data collected 2013-14: No data collected

Performance Measure 4b: All subgrantee applications are reviewed for fiscal accountability before subgrants awarded.	Subgrantee applications are reviewed for fiscal accountability by NHCSP staff.	☒ Measure Met ☐ Not Met ☐ Unable to Assess **For future goals only:** ☐ In Progress ☐ Insufficient Progress	2010-11: 100% 2011-12: 100% 2012-13: 100% 2013-14: 100%
Performance Measure 4c: Charter school developers and staff attend technical support and training sessions, their feedback is collected.	There are no direct data collection efforts related to this performance measure. Attendance at monthly charter leadership meetings is mandatory. Attendance the annual conference is reported as "good." Feedback comes to the NHCSP staff through informal conversations and reactions to the annual conference and monthly meetings.	☐ Measure Met ☐ Not Met ☒ Unable to Assess **For future goals only:** ☐ In Progress ☐ Insufficient Progress	2010-11: No data available 2011-12: No data available 2012-13: No data available 2013-14: No data available
Performance Measure 4d: Each year at least 85% or more of the charter schools open three years or longer remain financially viable.	NHCSP staff monitor financial reports and the external audits through the annual charter school accountability reports.	☒ Measure Met ☐ Not Met ☐ Unable to Assess **For future goals only:** ☐ In Progress ☐ Insufficient Progress	2010-11: No data available 2011-12: 90% of schools open more than 3 years 2012-13: 100% of schools open more than 3 years 2013-14: 100% of schools open more than 3 years

Sources: *Year 1 Annual Performance Report; Year 2 Annual Performance Report; Year 3 Annual Performance Report.*

Areas of Concern

- Comprehensive external evaluation. The SEA does not have an external evaluation in place as proposed in the approved application nor did the SEA have plans to implement an external evaluation at the time of the monitoring visit.

- Insufficient progress on performance measures. The SEA has not demonstrated substantial progress in meeting its application objectives and related performance measures.

Rating and Justification: 2 – Grantee partially meets the indicator. While the SEA has demonstrated progress on nine of 16 performance measures, the monitoring team was unable to assess progress on a quarter of the SEA's performance measures. Also, the SEA has not implemented an evaluation of its CSP grant, as proposed in its Federal application.

Recommendations: The SEA should take the necessary steps to improve its data collection and analysis strategies for tracking grant progress and should also implement the external evaluation as described in its approved application.

3. ADMINISTRATIVE AND FISCAL RESPONSIBILITIES

CSP grantees incur specific administrative and fiscal responsibilities under Federal law. This section focuses on the SEA's allocation, use and controls over the CSP grant funds and other Federal funds,

as well as associated State responsibilities in administering the CSP grant. It includes indicators that cover the State's responsibilities to:

- Inform appropriate audiences about Federal funding for charter schools and ensure that charter schools receive their commensurate share of relevant funds;

- Allocate no more than the allowable amounts of CSP funds for administration, dissemination, and revolving loan fund purposes;

- Administer and monitor the proper use of CSP funds;

- Ensure LEAs do not deduct funds for administrative expenses or fees except in certain circumstances;

- Ensure the timely transfer of student records; and

- Maintain and retain records related to the CSP grant funds.

Indicator 3.1: FEDERAL PROGRAMS AND FUNDING. The State informs appropriate audiences about the SEA's charter school grant program, Federal funds that the charter school is eligible to receive and Federal programs in which the charter school may participate, and ensures that each charter school in the State receives its commensurate share of Federal education formula funds.

Observations:

Charter Schools Grant Program. The NHDOE has used multiple forms of communication to notify teachers, parents, and community members about the CSP grant. The NHCSP posted information about the grant on the NHDOE website, created handouts for legislators and other community leaders which highlight charter schools in the state and discuss the CSP grant, issued press releases, held an open house kick-off event in 2010 to launch the grant, and have promoted the grant on public television and through public service announcements. The NHDOE partners with the New Hampshire Center for Innovative Schools and the New Hampshire Charter School Associations to promote the CSP grant. Furthermore, the Project Director serves on multiple community boards and uses her status as a public figure to promote the grant throughout the state.

Other Eligible Federal Funds. The State has five Regional Managers who are responsible for working with traditional districts and charter schools in their region to notify them of eligible Federal funds and ensure that they receive their commensurate share. However, subgrantees interviewed stated that they had to reach out to the Regional Managers for assistance. The State's Head of Title Programs is new to the position in the 2013-2014 academic year and is in the process of working with the Regional Managers to improve communication to LEAs and charter schools. As noted above, the resident district is responsible for providing special education services to all students who live in the district regardless of where they attend school. As such, the resident district receives and manages the IDEA funds as well as provides all necessary services to the student, regardless of where he or she is enrolled.

Commensurate Share. The State does not use the consolidated application for Federal formula funds. None of the subgrantees interviewed were aware that they should receive their commensurate share of Federal funds within five months of opening or significantly expanding. The State bases Federal formula fund allocation on previous year enrollment. Therefore, schools typically do not receive Federal formula funds in their first year of serving students because they do not have enrollment numbers from the previous year off of which to base the allocations. The Regional Managers are responsible for helping to ensure that schools receive their commensurate share. However, Regional Managers do not generally work with schools in their first year serving students and school leaders interviewed reported having to reach out to the Regional Managers to make initial contact.

Three out of the four subgrantees, including a Dissemination subgrantee that opened in 2005, have not received any Federal Title funds as of the time of the monitoring visit. Two of the subgrantees had not received any Federal Title funds because they were in their first year serving students. In the case of the Dissemination subgrantee, the school has elected not to receive Title funds because the school leader did not feel as if it was worth the time and effort to complete the application. Similarly, at least two of the subgrantees opted not to apply for Title II funds because the amount they would be eligible for was not enough to justify the amount of paperwork needed to receive the funds. The fourth subgrantee visited was in their second year of serving students and had just received their Title I funds in the spring of their second year serving students.

The NHCSP staff was not able to provide the State's definition of significant expansion.

Table 3.1: FEDERAL PROGRAMS AND FUNDING.		
Responsibilities of the SEA to inform and ensure access to Federal programs and funding.	**Area of concern**	**Findings: Description of practices and any concerns related to how the SEA grantee informs and ensures access to Federal programs and funding.**
The SEA informs teachers, parents, and communities of the State Education Agency's charter school grant program: The grantee proposed multiple means, including: • Announcements to residents, charter schools, districts, colleges, libraries, and other non-profit community organizations; • PSAs in newspapers, online publications, and public television; • Mailings, emails, PSAs, and website postings to interested parties, e.g., the State's charter association; and • Posting in the NHDOE Public School Choice newsletter to all schools and libraries and on the NHDOE website.	☐ Yes ☒ No	The grantee has informed stakeholders of the CSP grant through the following ways: • Postings on the NHDOE website; • Partnerships with the NH Center for Innovative Schools and the NH Public Charter School Association; • Handouts for legislators and other community leaders; • Press releases; • Open house kick off meeting in October 2010; and • Public service announcements on local television Additionally, the Project Director serves on the Board for the New Hampshire World Affairs Council and the Association for Supervision and Curriculum Development (ASCD) and uses her status as a visible public figure to promote the grant.

| The SEA informs each charter school in the State about Federal funds that the charter school is eligible to receive: The grantee proposed to use multiple strategies to inform each charter school in the state about other Federal funds, including:

• Posting announcements on the NHDOE website;
• Sending direct mailings to eligible participants;
• Email distribution lists;
• Monthly meetings with Charter School Directors; and
• Workshops and presentations on grant funding opportunities for all of the State's districts and charter schools. | ☒ Yes ☐ No | As of the time of the monitoring visit, the grantee had not yet established formal methods to notify each charter school about other eligible Federal funds. Five Regional Managers work with all public schools, including charter schools, in their region to notify them about Federal funds and ensure that the schools receive their commensurate share of Federal funds. The school leaders interviewed were aware of the Regional Managers, but said that they thought the expectation was for them to reach out to the Regional Managers for assistance as needed.

IDEA funds flow directly to the resident district, which is responsible for provided services to students. Charter schools typically do not directly receive IDEA funds nor do they know what they may be eligible to receive. |
| The SEA ensures that each charter school in the State receives the charter school's commensurate share of Federal education funds that are allocated by formula each year, including during the first year of operation of the charter school: As per RSA 194-B: 11, each charter school completes a consolidated application that is used for formula funding and guarantees each charter school receives its fair share of all Federal funds. | ☒ Yes ☐ No | Charter schools do not complete a consolidated application as stated in the SEA's CSP application. Each school is responsible for applying for Federal funds individually. Some schools visited opted out of Federal funding because the paperwork was too burdensome.

The SEA does not appear to provide Title I funds to schools within 5 months of opening or expanding. School leaders at two schools in the first year of implementation were not aware that they were eligible to receive Title funds. A third school, in its second year of operations, had only just received its first installment of Title funds at the time of the monitoring visit.

None of the subgrantees visited receive IDEA funds directly because in NH the student's sending traditional LEA receive IDEA funds and provide services to the student in their new school. All subgrantees visited reported the sending traditional LEA receiving IDEA funds and providing the necessary services. |

Sources: *CSP Grant Application; NHDOE website; NH Center for Innovative Schools website; NHDOE Inspire handout; NHDOE Innovate handout; and Title I Charter School Status by Free and Reduced Eligibility.*

Areas of Concern

- <u>SEA cannot confirm that schools receive commensurate share of Federal funds.</u> The State does not have the necessary systems in place to ensure that schools receive their commensurate share of Federal funds within the first five months of opening or significantly expanding.

- <u>Schools not informed of eligibility of Federal funds.</u> The SEA uses the previous year's enrollment to determine Title I allocations and did not appear to have an alternative

calculation for newly opened charter schools. As a result, newly opened schools may not know that they are eligible to receive funds within their first year.

Rating and Justification: 1 – Grantee does not meet the indicator. Subgrant schools do not receive Federal funds within five months of opening and are not aware that they should be receiving Title funds in their first year of operations.

Recommendations: The grantee should ensure that schools receive their commensurate share of Federal funds within five months of opening and that schools are aware of their eligibility to receive Federal funds.

Indicator 3.2: ALLOCATION OF CSP FUNDS. The proportion of grant funds reserved by the State for each activity does not exceed the allowable amount.

Observations: The NHDOE allocates five percent of the total CSP grant for administrative expenses associated with the grant program. This covers the salaries and benefits for the two NHCSP staff; travel to the annual Project Directors meeting; and some minimal supplies and contracted services such as printing. The grantee initially proposed to use administrative funds to hire an external evaluator for the grant. However, due in part to the reduction of overall grant funds by ED, the grantee has not done so. The use of grant funds for administrative activities is monitored by the State's Internal Auditor in Excel ledgers. However, the monitoring team cannot adequately assess current levels of administrative funding because the grantee did not provide an up-to-date budget as requested at the time of the monitoring visit.

The SEA proposed to spend five percent of its grant for Dissemination subgrants. The NHCSP office tracks the percentage of grant funds used to support dissemination activities in a spreadsheet. As of the May 2014, the grantee had obligated approximately six percent of all subgrant funds to dissemination activities. The grantee is aware that no more than 10 percent of grant funds can be used to support dissemination activities and does not plan to come close to the 10 percent maximum.

The SEA does not use grant funds for a revolving loan fund.

Table 3.2: ALLOCATION OF CSP FUNDS.		
Limits on the allocation of CSP funds.	Area of concern	Findings: Description of practices and any concerns related to how the SEA grantee allocates the CSP grant funds to each category.

Not more than 5% for administrative expenses associated with the program: The grantee proposed to use 5.5 percent of grant funds for administrative expenses. Including: • Salary and benefits for the Project Director and a Program Assistant; • Travel for two to attend the annual Project Directors meeting; • Equipment and supplies including a computer, software, and remote access for the Project Director; • Contractual services including printing and publication costs, as well as an external evaluation.	☒ Yes ☐ No	The NHDOE Internal Auditor tracks the allocation of CSP funds and ensures that no more than 5 percent is used for administrative expenses. Administrative funds have been used to support the salary and benefits of two FTE-equivalent staff; travel to attend the annual Project Directors meeting; and minimal office supplies and contract services. The grantee did not use the administrative funds to hire an external evaluator as originally proposed. However, the monitoring team cannot adequately assess current levels of administrative funding because the grantee did not provide an up-to-date budget as requested at the time of the monitoring visit.
Not more than 10% to support allowable dissemination activities: The grantee proposed that approximately 5 percent of the total award will be used for dissemination activities through Dissemination subgrant awards.	☐ Yes ☒ No ☐ NA	The NHCSP Office tracks the amount awarded to support dissemination activities. As of May 2014, the grantee had obligated $466,250 toward dissemination activities, or approximately 6.3 percent of all subgrants awarded to date. The grantee plans to spend approximately 5 percent of their grant award on dissemination activities.
Not more than 10% for the establishment of a revolving loan fund: The grantee did not propose to have a revolving loan fund.	☐ Yes ☐ No ☒ NA	The grantee does not use grant funds for the establishment of a revolving loan fund.

Sources: *CSP Grant Application; Year 3 APR; Federal Charter School Grant Funds table; NHDOE CSP Budget Summary; 2013 CSP Data Collection Form; NH Per Pupil Aid Instructions; and CSP Administrative Expenses, May 2014.*

Rating and Justification: 2 – Grantee partially meets the indicator. While the grantee reports that it has spent grant funds according to established maximums, the grantee did not provide adequate documentation to assess current levels of administrative funding.

Recommendations: The grantee is encouraged to maintain sufficient budget documents to ensure that it can readily document various spending under the grant.

Indicator 3.3: ADMINISTRATION AND USE OF CSP FUNDS. The SEA administers the CSP funds and monitors subgrantee projects to ensure the proper disbursement, accounting, and use of Federal funds.

Observations: The NHDOE uses its online Grants Management System (GMS) to track the CSP grant award. Both SEA and subgrantee staff use the GMS to update budgets, request and process reimbursement, and track the budget. Each subgrantee enters its budget by line item each year into the GMS. Both the SEA's Internal Auditor and the NHCSP's Program Specialist then approve the budget in the GMS. When requesting reimbursement, requests must align with a line item. If the request does not align with a budget item, the GMS will not allow the subgrantee to complete the reimbursement request. Subgrantees can modify their budgets at any time throughout the year in the

GMS system with NHCSP staff approval. Once a reimbursement request is approved by the necessary SEA staff, it is processed for payment through the GMS. Subgrantees typically receive payment in the form of direct deposit within two to three weeks of request. Following reimbursement to the subgrantees, the State submits a reimbursement request through the G5 system.

The NHDOE does not require subgrantees to present any source documentation for reimbursement and the monitoring team found a handful of unallowable uses of funds which are discussed in Table 3.3.b. Additionally, the State does not require subgrantees to have procurement standards or conflict of interest policies.

Disposition of Assets. Each school is required to provide a policy for disposition of assets in their charter application based on guidance from the SEA. The State has closed four charter schools over the course of its history. Per the SEA's guidance, the assets of the closed schools were sent back to the home LEA and the student records were sent to the State for proper distribution.

Table 3.3.a: FISCAL CONTROL AND FUND ACCOUNTING PROCEDURES.		
EDGAR Regulations	Area of concern	Findings: Description of practices and any concerns related to how the SEA grantee ensures proper fiscal control and funding accounting and complies with Federal requirements in each area.
34 CFR 80.20 Standards for financial management systems.		
(1) Financial reporting (e.g., complete disclosure of financial results)	☐ Yes ☒ No	In the charter application, all applicants must write their method of administering fiscal accounts and reporting, including assuring that an annual audit will be conducted by an independent auditor. All charter schools must submit their audits to the SEA on an annual basis.
(2) Accounting records (e.g., source and application of funds)	☐ Yes ☒ No	State CSP and Business Office staff monitor the grant and subgrantees' budgets on a regular basis. The Program Specialist pulls expenditure reports from the GMS and sends them to the subgrantees monthly. Budgets and expenditures can also be viewed by line item in the GMS.
(3) Internal control (e.g., process and measures to account for funds, property and assets)	☐ Yes ☒ No	The SEA uses its online GMS to track subgrantees. The SEA's Internal Auditor and the NHCSP's Program Specialist review and approve the subgrantees' budgets in the GMS. Reimbursement requests are entered through the GMS and must identify appropriate line items and outcomes from the use of funds. Requests are reviewed and approved by the NHCSP Office and the Business Office. Source documentation is not included in reimbursement requests.
(4) Budget control (e.g., process and measures to compare outlays with budget amounts)	☐ Yes ☒ No	The GMS maintains up-to-date grant budget records. Subgrantees enter budget information annually. The GMS requires that every reimbursement request align with approved budget line items. The subgrantee may modify their budget, with the approval of the Program Specialists, at anytime throughout the grant period in the GMS.

(5) Allowable cost (e.g., procedures to determine allowable, allocable, and reasonable use of funds).	☒ Yes ☐ No	Guidance on allowable and unallowable expenses as well as Federal non-regulatory guidance are posted on the "Start-Up Process" page of the NHCSP website and are provided to all subgrantees in a start-up binder created by the Program Specialist. However, the monitoring team found evidence of unallowable expenses including purchasing materials that will not be used until after the grant period and construction. All of the unallowable costs were also found In the corresponding subgrant applications.
(6) Source documentation (e.g., evidence from transactions that accompany accounting records)	☒ Yes ☐ No	The SEA expects subgrantees to maintain all source documentation related to grant purchases. However, the SEA never reviews or requires subgrantee source documentation. Subgrantees stated that they were never required to provide details about any purchases beyond a brief outcome statement and that the State never asked follow up questions or requested any documentation.
(7) Cash management (e.g., timely disbursement of funds to not accrue interest).	☐ Yes ☒ No	All grant related activities are funded on a reimbursement basis. The subgrantees are encouraged to submit monthly reimbursement requests through the GMS. The State typically processes reimbursement in the form of direct deposit to subgrantees within 2-3 weeks of receiving the request.
34 CFR 80.36 Procurement standards, including competitive bidding and contracting	☒ Yes ☐ No	The SEA does not require that subgrantees develop procurement standards. Most of the subgrantees visited did have procurement standards. However, none of them indicated receiving any guidance from the SEA.
34 CFR 75.525 Conflict of interest	☒ Yes ☐ No	The SEA does not require that subgrantees develop conflict of interest policies. Most of the subgrantees visited did have conflict of interest policies. However, none of them indicated receiving any guidance from the SEA.
34 CFR 80.32(e) Disposition of assets	☐ Yes ☒ No	All charter school applicants are required to state in their charter application a provision for dissolution, which includes the disposition of assets. The SEA provides guidance that the assets of the closed schools should be sent back to the home LEA. However, the SEA was not able to provide an official policy in writing.

Sources: *CSP Grant Balances 2010-14; NHDOE Federal Funds Handbook; NHDOE Online Grants Management Handbook; Sample Expenditure Tracking Spreadsheet; MC2 Expenditure Requests; Next Expenditure Requests; Mill Falls Expenditure Requests; Great Bay Expenditure Requests; MC2 Charter Application; Next Charter Application; Mill Falls Charter Application; Mill Falls Financial Policies & Procedures for Operation; and Next Purchasing and Accounting Policies.*

Use of Grant Funds. The State provides subgrantees guidance on allowable and unallowable uses of funds, including Federal non-regulatory guidance. The grantee reviews subgrantee budgets as part of the subgrant application process. However, none of the subgrantees interviewed recalled the grantee asking for additional information or disallowing anything from their proposed budget and as noted above and below, the monitoring team found unallowable costs. Subgrantees generally used the bulk of their funds for the acquisition of materials and supplies, including classroom and office furniture, computers, and other technology; staff time; and consulting services for curriculum development including part-time instructional coaches. Dissemination funds were used to hire

consultants, organize and host the symposiums, present findings, and create informative videos from the event.

The monitoring team noticed a number of unallowable expenses. At least one subgrantee paid administrators and office staff salary out of grant funds for more than three months prior to the opening of school, while another paid a flat five percent of their staff's salaries out of the grant in the second year of the grant. Other subgrantees used grant funds to purchase classroom furniture and supplies for classrooms and grades that were not going to be operational until after the grant period and to transport student leaders to a symposium in a "party bus" limousine when a regular yellow school bus would have been sufficient. While using transportation to take students to a symposium is an allowable use of funds, using a "party bus" instead of a standard yellow school bus is an unreasonable use of funds.

Table 3.3.b: USE OF GRANT FUNDS.		
How did the grantee propose to use the grant funds in the approved budget?	Area of concern	Findings: Description of practices and any concerns related to how the SEA grantee uses the grant funds.
Post-award planning and design of the educational program		
Refinement of the desired educational program and of the methods for measuring progress toward those results	☒ Yes ☐ No	Subgrantees used funds to pay school leaders during part of the planning period, train their boards, and hire consultants for part of the planning period to help develop the curriculum and educational goals. At least one subgrantee used grant funds to pay the salaries of the School Director, School Leader, and Administrative Personnel beyond the three months prior to the opening of the school. (See Appendix 1: *MC2 Application Budget.*)
Professional development of teachers and other staff who will work in the charter school	☐ Yes ☒ No	Many subgrantees devoted a few thousand dollars to professional development for their teachers towards the end of the planning period.
Initial implementation of the charter school		
Informing the community about the school	☐ Yes ☒ No	Subgrantees used minimal funds for marketing materials including website development and brochure design and printing.

Acquiring necessary equipment and educational materials and supplies	☒ Yes ☐ No	The purchase of classroom and office furniture such as tables and desks, as well as computers and other instructional technology tended to be the largest category of grant-funded purchases. One school in its first year of the Implementation subgrant purchased, and plans to continue to purchase, furniture and instructional materials for classrooms and grades that will not be filled until after the end of the grant period. Purchasing materials not intended to be used until after the expiration of the grant is not allowable. (See Appendix 2: *Mill Falls Application Budget*; Appendix 3: *Mill Falls Federal Grant Budget*)
Acquiring or developing curriculum materials	☐ Yes ☒ No	Subgrantees purchased and created curriculum to align with their educational approach and State and Federal accountability requirements. Purchases included materials for project-based learning; standardized assessments and training materials (DIBELS, NECAP, etc); and staff time and effort and contracts with consultants and coaches to develop learning objectives.
Other initial operational costs that cannot be met from State or local sources	☐ Yes ☒ No	Subgrantees tended to use minimal grant expenses on board trainings, travel to the monthly charter school meetings and the annual charter school conference, and costs associated with operating a school such as printing and telephone fees.
Other: Teacher salaries	☒ Yes ☐ No	All Planning and Implementation subgrantees visited paid partial teacher salaries in the implementation years of the grant. One school reported paying a blanket 5% of teacher salaries in the second year of the grant using CSP funds. It is not clear that the portions of teacher salaries paid for by the grant are for time and effort spent outside of the normal expectations for a teacher. (See Appendix 3: *Mill Falls Federal Grant Budget.*)
Other: Network construction	☐ Yes ☒ No	One subgrantee used grant funds for the construction of electrical network and cabling in order to have phones installed in each classroom (See Appendix 3: *Mill Falls Federal Grant Budget*).
Dissemination activities (if applicable)		
Assisting other individuals with the planning and start-up of one or more new public schools	☐ Yes ☐ No ☒ NA	The monitoring team could not identify any related costs under this category.
Developing partnerships with other public schools	☐ Yes ☒ No ☐ NA	One Dissemination subgrantee partnered with the Southeastern Regional Education Service Center (SERESC) to host two Student Voices Symposiums and create videos about the symposiums. Traditional public school and charter schools were invited to participate.

Developing curriculum materials, assessments, and other materials that promote increased student achievement	☐ Yes ☐ No ☒ NA	The monitoring team could not identify any related costs under this category.
Conducting evaluations and developing materials that document the successful practices	☐ Yes ☒ No ☐ NA	Videos are being created highlighting the key points from the Student Voices Symposium. The subgrantee has presented at conferences, as well.
Other: Transportation	☒ Yes ☐ No ☐ NA	Grant funds were used to bus students participating in the Student Voices Symposium in a "party bus" limousine to the symposium which is an unreasonable use of funds, since a standard yellow school bus would have been sufficient. (See Appendix 4: *SERESC Invoice 2227905-IN;* Appendix 5: *SERESC Year 1*).

Sources: *MC2 Subgrant Application; MC2 Reimbursement Requests; Next Subgrant Application; Next Reimbursement Requests; Next Year 1 budget; Next Year 2 budget; Great Bay Application; Great Bay Reimbursement Requests; SERESC Invoice 2227905-IN; SERESC Year 1 Accounting; Mill Falls Subgrant Application; Mill Falls Reimbursement Requests; Mill Falls 2013-14 Budget; and Mill Falls Federal Grant Budget.*

Areas of Concern

- Unallowable and unreasonable expenses. Subgrantees used grant funds for a number of unallowable expenses including salaries for more than three months prior to the opening of a school, furniture and classroom supplies for grade and classes that will not be served until after the grant period, and transportation to an event in a "party bus" limousine when a standard yellow school bus would have been sufficient.

- Lack of policies regarding procurement standards and conflict of interest. The grantee does not require that subgrantees have procurement standards or conflict of interest policies and does not provide any guidance to subgrantees on developing such policies.

- Lack of source documentation. The grantee does not ask for any source documentation for reimbursement or during their monitoring of subgrantees. The grantee relies on the annual audits for information on financial reporting, but does not give any guidance to the auditors on expectations of accounting records.

Rating and Justification: 1 – Grantee does not meet the indicator. There were a number of unallowable or unreasonable expenses and the State does not require subgrantees to develop procurement standards or conflict of interest policies. The State does not have a method for reviewing source documentation during monitoring.

Recommendations: The grantee should strengthen its fiscal control and fund accounting procedures to ensure allowable uses of grant funds and the development of sound fiscal control policies.

Indicator 3.4: LEA DEDUCTIONS. The State ensures that the LEA does not deduct funds for administrative expenses or fees unless the eligible applicant enters voluntarily into an administrative services arrangement with the relevant LEA.

Observations: With the exception of one subgrantee, all others operate as their own LEAs. The State awards the subgrants directly to the charter schools. Each school must state in its Planning and

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Implementation or Dissemination application who will manage the grant funds. The SEA says that they follow up as needed, though it is not clear the extent to which the grantee follows up with the subgrantee if the subgrantee is not planning on managing its own funds. The monitoring team visited one subgrantee whose home LEA was serving as its fiscal agent and managing its grant funds. The subgrantee did not recall the SEA providing any guidance about the LEA managing its grant funds.

The same subgrantee entered into a mutually agreed upon Memorandum of Understanding which states that the traditional LEA will charge the charter school between 1.3-1.4 percent (depending upon the year) for all expenses (including grant-related expenses) where the LEA pays for the item upfront and then the charter school reimburses the LEA when it has the funds to do so. Even though the subgrantee wrote that the LEA would serve as its fiscal agent in its Planning and Implementation application, it is not clear that the State was aware of the deductions. The grantee did not mention the deductions to the monitoring team during the site visit, and neither the subgrantee nor the traditional LEA recalled the State ever asking questions about the fiscal relationship between the subgrantee and the traditional LEA.

Table 3.4: LEA DEDUCTIONS.		
SEA efforts to ensure LEA deductions are appropriate.	**Area of concern**	**Findings: Description of practices and any concerns related to how the SEA grantee's actions ensure that any LEA deductions are appropriate?**
Efforts to inform LEAs and subgrantees regarding the LEA's ability to deduct administrative expenses or fees: This was not addressed in the State's CSP application.	☐ Yes ☒ No	All of the subgrantees, except for one, operate as their own LEAs. Regardless of LEA status, subgrant funds are reimbursed directly to the subgrantees. The topic of LEA deductions is also addressed at the monthly charter school leaders meetings on an as needed basis.
Efforts to ensure any deductions are mutually agreed-upon and voluntary: This was not addressed in the State's CSP application.	☐ Yes ☒ No	The subgrant applicant must state who will be responsible for managing the grant funds in both the start up and Dissemination subgrant applications. The grantee reported that they follow up accordingly if there are any indications that the subgrantee would not be directly responsible for managing their own funds. The monitoring team visited one subgrantee that had their traditional public school LEA serving as their fiscal agent. The LEA charged the subgrantee a mutually agreed upon rate of 1.3% in 2012-13 and 1.4% in 2013-14 for costs where the LEA lent the subgrantee the money upfront to cover subgrant related expenses.
Efforts to identify and resolve concerns related to LEA deductions from grant funds: This was not addressed in the State's CSP application.	☐ Yes ☒ No	The grantee has not encountered any concerns related to LEA deductions from grant funds.

Sources: *Next Charter Application; Memorandum of Understanding Between the Derry Cooperative School District and the NEXT Charter School; Next CSP Budget to Actual Years 1 and 2.*

Rating and Justification: 3 – Grantee fully meets the indicator. By design all charter schools are their own LEAs, though some have chosen to utilize LEAs as their fiscal agents. To date there have been no issues regarding LEAs withdrawing administrative fees from subgrant funds without the consent of the subgrantee.

Recommendations: None.

Indicator 3.5: TRANSFER OF STUDENT RECORDS. The SEA ensures that a student's records and, if applicable, individualized education program accompany the student's transfer to or from a charter school in accordance with Federal and State law.

Observations: The NHDOE does not currently play an active role in the transfer of student records, whether related to a charter school or not. In the charter application, all applicants must write to how the school will coordinate with LEAs to provide special education services, including the management and oversight of IEPs, to students with disabilities. Both the NHDOE and subgrantees interviewed stated that the system works fairly well and that any delays in obtaining student records are minor. When a student transfers into a charter school, the student's parent or guardian signs a records release form as part of the student's enrollment forms. Once the form is signed, a staff member from the new charter school will contact the student's former school, either by phone or in writing and request the student's records. There is no standard records request form or process; the charter schools each create their own. If the student's previous school is slow in responding to the records request the charter school will continue to follow up with the student's previous school until records are received. Because the student's home district is responsible for providing special education services if those services are required, the subgrantees interviewed stated that receiving IEPs is almost never an issue because the student's home district has a continued legal responsibility to provide services to the student in their new school.

Table 3.5: TRANSFER OF STUDENT RECORDS.		
SEA efforts to ensure timely transfer of student records.	**Area of concern**	**Findings: Description of practices and any concerns related to how the SEA grantee ensures that student records accompany the student's transfer to or from a charter school.**
Efforts to inform LEAs and charter schools about their responsibilities to transfer student records, including IEPs: This was not addressed in the State's CSP application.	☐ Yes ☒ No	The State does not appear to have any system in place to inform LEAs and charter schools about their responsibilities to transfer traditional student records. However, all charter applications include a section on how the charter school will coordinate with students' home LEAs to provide special education supports including oversight of IEPs.
Efforts to ensure student records, including IEPs, are transferred according to State laws and guidelines: This was not addressed in the State's CSP application.	☐ Yes ☒ No	The NHDOE does not play any role in ensuring student records are transferred. No subgrantees reported any major issues receiving student records including IEPs.

Efforts to intervene in transfer of student records, including IEPs, when records are not received: This was not addressed in the State's CSP application.	☐ Yes ☒ No	NHDOE staff members have no recollection of ever intervening to assist in the transfer of student records, except in the one case of a student who was previously homeschooled. Subgrantee staff interviewed stated that any delays in obtaining student records are minor.

Sources: *Charter School Application template.*

Rating and Justification: 3 – Grantee fully meets the indicator. Though the grantee plays no part in the transfer of student records, no subgrantee interviewed noted major issues with the transfer of student records. The grantee would assist with transfers of records if needed.

Indicator 3.6: RECORDKEEPING. All financial and programmatic records, supporting documents, statistical records, and other records of grantees and subgrantees related to the CSP grant funds are maintained and retained for grant monitoring and audit purposes.

Observations: Documents related to the grant are kept in binders and file cabinets in the Program Specialist's office. CSP documents are maintained primarily in paper copies, but key documents such as the original grant application and GANs are also stored on the NHDOE's shared electronic drive. The main grant binder includes the State's original grant application, GANs, notes and agendas from calls with ED, correspondence with ED, and G5 balance and drawdown information.

The Program Specialist also keeps folders for each subgrant school in her file cabinet. Documents in these folders include the subgrant application, budgets, correspondence, and copies of each school's board minutes. Each subgrantee's draw down information is maintained in a separate file cabinet in the Program Specialist's office and is also accessible through the online Grants Management System, which NHCSP and accounting staff can access. Each subgrantee's GANs are posted on a tack board next to the Program Specialist's desk. All subgrantees visited maintain adequate records related to the grant including their subgrant application, source documentation, and accounting records.

The NHDOE has a comprehensive Federal Funds Handbook which includes the State's record retention policies for Federal grants. The policy follows 34 CFR 80.42 and states that records shall be maintained for a minimum of three years from the date of final acceptance, and final resolution of any audit by the Commissioner of Education at the SEA. NHDOE staff interviewed stated that their practice is to keep records for five years from the date of final acceptance.

Table 3.6: RECORDKEEPING.		
EDGAR regulations require grantees to maintain:	Area of concern	Findings: Description of practices and any concerns related to how the SEA grantee maintains and retains its grant records.

Recordkeeping system and practices	☐ Yes ☒ No	The Program Specialist maintains grant and subgrant records in file cabinets and binders. Key grant files such as the original grant application are also stored on the NHDOE's shared electronic drive. Subgrantee budgets and draw downs are maintained in paper files in the Program Specialist's office as well as in the online Grants Management System.
Records retention policy and practices	☐ Yes ☒ No	The NHDOE adheres to 34 CFR 80.42 for its record retention policy. While the policy mandates that records be maintained for a minimum of three years from the date of final acceptance, staff interviewed stated that they retain records for at least five years from the date of finial acceptance.

Sources: *NHDOE Federal Funds Handbook and NHDOE Online Grants Management Handbook.*

Rating and Justification: 3 – Grantee fully meets the indicator. The State maintains complete and detailed programmatic and financial records related to the CSP grant.

Recommendations: None.

VI. LIST OF DOCUMENTS REVIEWED

Background

- http://dashboard.publiccharters.org/dashboard/students/page/overview/state/NH/year/2013
- http://www.education.nh.gov/instruction/school_improve/charter/closed_charterschools.htm
- Draft of New Hampshire Charter Schools Dashboard, February, 20, 2014

Section 1

- The Charter School Application Process
- Initial Process for Charter School Developers
- General Assurances FY 2014
- http://www.education.nh.gov/instruction/school_improve/charter/csapproval_sbe.htm
- State Statutes (Chapter 194-B, Chartered Public Schools)
- Charter School Start-Up Grant Application, Competition for 2013-2014 School Year RFP
- NHDOE Charter School Dissemination Subgrants, 2013-2014 School Year RFP
- The New Hampshire Charter School Accountability Process, Revised October 2006
- Next Charter School, Enrollment
- MC2, Application for the 2014-2015 School Year
- Great Bay eLearning Charter School, Section I: 2014-2015 Student Application Form
- Great Bay eLearning Charter School, Admission Process
- CSP Federal Application (2010)
- NHDOE Start-Up Grant Application Evaluation Rubric
- New Hampshire Review Criteria (2011)
- MC2, Charter Criteria Rubric
- MC2, NHDOE Start-Up Grant Evaluation Rubric
- Mill Falls Charter NHDOE Start-Up Grant Application Evaluation Rubric
- Charter School Program Sub-Grantees, Grant Award Notification for Making Community Connections, Year 2

- Charter School Program Sub-Grantees, Grant Award Notification for Making Community Connections, Year 3

Section 2

- http://www.education.nh.gov/instruction/school_improve/charter/approved.htmhttp://www.education.nh.gov/instruction/school_improve/charter/cs_renewalprocess.htm

- New Hampshire Charter School Accountability Process, New Hampshire Department of Education, Revised October 2006, p. 5

- Charter School Reporting Schedule (11/8/13), http://www.education.nh.gov/instruction/school_improve/charter/documents/full_reporting13_14.pdf

- New Hampshire Statutes (RSA 194-B:16 (VI))

- Charter School Evaluation Scoring Guide

- RAS 194-B8 http://www.gencourt.state.nh.us/rsa/html/XV/194-B/194-B-5.htm

- State Statutes: RSA 194:B5, B13, B14

- New Hampshire PCSP Grant Application

- Federal CSP Application

- New Hampshire PCSP Grant Application

- Charter School Start-Up Grant Application, 2013-2014 School Year

- New Hampshire PCSP Grant Application New Hampshire Public Charter Schools (map)

- CSP Data Collection Form_NH10)(June_2013).

- Year 1 Annual Performance Report

- Year 2 Annual Performance Report

- Year 3 Annual Performance Report

Section 3

- CSP Grant Application

- NHDOE website

- NH Center for Innovative Schools website

- NHDOE *Inspire* handout

- NHDOE *Innovate* handout

- Title I Charter School Status by Free and Reduced Eligibility

- Year 3 APR

- Federal Charter School Grant Funds table

- NHDOE CSP Budget Summary

- 2013 CSP Data Collection Form

- NH Per Pupil Aid Instructions

- CSP Administrative Expenses, May 2014

- CSP Grant Balances 2010-14

- NHDOE Federal Funds Handbook

- NHDOE Online Grants Management Handbook

- Sample Expenditure Tracking Spreadsheet

- MC2 Expenditure Requests

- Next Expenditure Requests

- Mill Falls Expenditure Requests

- Great Bay Expenditure Requests

- Next Charter Application

- Mill Falls Financial Policies & Procedures for Operation

- Next Purchasing and Accounting Policies

- MC2 Subgrant Application

- MC2 Reimbursement Requests

- Next Subgrant Application

- Great Bay Dissemination Application

- Great Bay Reimbursement Requests

- SERESC Invoice 2227905-IN

- SERESC Year 1 Accounting

- Mill Falls Subgrant Application

- Mill Falls 2013-14 Budget

- Mill Falls Federal Grant Budget.

- Memorandum of Understanding Between the Derry Cooperative School District and the NEXT Charter School;

- Next CSP Budget to Actual Year 1

- Next CSP Budget to Actual Year 2.

- Charter School Application template

VII. APPENDICES

Appendix 1: MC2 Application Budget

Appendix 2: Mill Falls Application Budget

Appendix 3: Mill Falls Federal Grant Budget

Appendix 4: SERESC Invoice 2227905-IN

Appendix 5: SERESC Year 1

Appendix 1

MC2 Application Budget

poverty. 31.9% (529) of Newport's children live in single parent families. 15% (248) of Newport's children participate in the food stamp program (Kids Count 2008). Countywide, 41.9 per 1,000 women ages 15 to 19 had a baby in 2008, over twice the state average (Eagle Times 9/25/10). One in 4 youth (25%) report alcohol use in the past 30 days. 10% report daily use of tobacco products (CUFSAP 2009). 16.2 % of students leave Newport High School without graduating.

Manchester has the highest population density in NH and the highest concentration of immigrant and refugee youth. One in four children live in families with incomes below the poverty level. (Carsey Institute, 2009) Manchester high schools currently serve 5,700 students, with nearly 10% limited English proficient. State test scores point to a persistent achievement gap as Manchester students lag 25% below state average, and disaggregated results show an even wider gap between all students and subgroups.

b. A three-year budget noting monies requested and activities to be undertaken for each year for each expenditure category. Expenditure categories: curriculum and instruction, assessment, personnel, administration/governance, furniture and equipment, facility readiness, and accountability planning.

		2011–2012	2012–2013	2013-2014
I. Curriculum & Instruction	• Development and benchmarking of mastery based system • Develop and implement MC2 online portfolio • Integration of ELL structures throughout • Purchase materials to support the curriculum and instruction • Develop and maintain learning experiences portal	26,000	56,000	54,000
II. Assessment	• Establish baseline documentation for incoming classes • Purchase and employ NWEA for benchmarking progress and informing instruction		3,000	3,000
III. Personnel	• Hire School Director/CEO • Hire Partnership and Community Development Director • Hire and train School Leaders • Hire ICT Director • Hire Administrative Support • Hire CFO • Recruit and train school faculty	127,000	55,500	59,000
IV. Administration /Governance	• Establish/renew Board of Trustees • Train Board of Trustees (legal responsibilities, meeting protocols, fiscal oversight, accountability procedures) • Establish/renew and train Site Councils • Develop and implement communications plan, including website, forums, etc. • Develop and maintain partnerships with	32,000	37,500	30,500

	community partners and organizations • Establish and review financial systems • Recruit students and families			
V. Furniture & Equipment	• Plan and implement Information Communications Infrastructure • Office furniture • Learning spaces furniture • ICT equipment for students and teachers	20,000	50,000	55,000
VI. Facility Readiness	• Office for planning year •	10,000	4,000	5,000
VII. Accountability Planning	• Develop data tools, including early warning system and dashboard views • Implement data tools • Revise data tools • Audit financial records and practices	5,000	14,000	13,500

c. Goals and objectives of the authorized charter school, and how the funds requested directly relate to meeting the charter school's goals, including:

1. The school's curriculum and instructional goals;

MC^2 has a very intentional design and structure that differs significantly from most public (and private) school systems. Training for all members of the school community will be essential to the success of MC^2, and represents 15% overall of the proposed expenditures for the startup grant. (10.5% in Year One; 17% in Year Two; and 18% in Year Three, as the size of the faculty and community grows.) Training will include development and annual review of mastery based benchmarks and assessment criteria, in addition to integration of English Language Learning practices throughout the curriculum and training for all school faculty.

Student Goals

MC^2's student and organizational goals are a direct outgrowth of its core beliefs, mission, and vision. Each goal addresses multiple core beliefs, and each supports the overall mission and vision of the school. MC^2 believes that a truly successful school serves all kids well, including those who have historically not been served well by public schools. We have high expectations for our faculty and our students, and we will hold ourselves accountable for the success of all of our students, especially those with the highest need.

1. **On average, students read, write, and compute at or above grade level within the first three years at our school.**
   Measurement: NWEA Measures of Academic Progress, Workshop, Project, and Community-Based Learning Assessments

2. **On average, students make no less than one year's academic growth each year in reading, writing, math, social studies, and science.**
   Measurement: NWEA, Workshop, Project, and Community-Based Learning Assessments

3. **Each student successfully completes no less than two substantive projects as measured by MC^2's criteria every year.**

the recruitment, induction, and ongoing professional development work will be annual.

For the first three years, startup grant money will be used to provide materials, stipends, and meeting support for the training, as well as cover some consultant fees. Additional grant support from the School Project Foundation will complement startup grant funds and provide additional consultant time and support.

4. Personnel to be paid by the grant, if known (include the percent of FTE (full-time equivalent) and estimated total compensation for each individual, for each year);

Year One: 2011 – 2012

.50	Chief Education Officer (School Director)	$30,000
.50	School Leaders (2 people .5 FTE for half the year)	$30,000
.50	Administrative Personnel	$12,000
.25	IT personnel	$ 8,000
.20	Partnership Development Director	$20,000

Year Two: 2012 – 2013

.25	Partnership Development Director	$25,000
.25	Bookkeeper	$ 7,500

Year Three: 2013 – 2014

.25	Partnership Development Director	$25,000
.50	Bookkeeper	$15,000

Personnel costs represent 36.5% overall of the startup grant funds, but decrease over the course of the three years, from 58% in Year One, to 25% and 27% in Years Two and Three, respectively.

5. The school's start-up needs for assuring that **training and planning in governance and administration** occurs.

Training for the Board of Trustees will cover legal responsibilities, meeting protocols, fiscal oversight, and accountability procedures. The New Hampshire Center for Nonprofits and the Local Government Center will be key resources for providing this training. Additional support will come from the School Project Foundation. Training will take place in early fall through an annual board retreat, with additional information sessions quarterly.

d. Anticipated **facility plan/timeline** and facility readiness costs anticipated, if any.
Year One will require office space for headquartering startup operations. One of the priority tasks during Year One is identifying locations for the two schools (one in Newport and one in Manchester.) Potential sites have been identified for each community but further work is needed to solidify facility plans. Without having identified the sites, it's difficult to project readiness costs, but technology infrastructure work is anticipated regardless of location.

e. Coordination with any existing programs, initiatives, districts, colleges, businesses and/or organizations, and funds requested for this purpose, if any.

• **Q.E.D. Foundation** will be a lead collaborative partner supporting MC^2. QED's mission is to build – and inspire and help others to build – transformational learning environments, in and out of schools, that engage all students in successful and sustainable growth and learning. QED

Appendix 2

Mill Falls Application Budget

high school, the other had not. This study also found that students who had attended Montessori school before high school significantly out performed their peer control group in standardized tests for math and science. Interestingly, the researchers point out that these results were found five to seven years after the students had exited the Montessori programs. In general their GPA's were found to be higher as well. It is significant, then, to note both the long-term impact of the Montessori approach, and the success that the Montessori trained students had during their high school years in the traditional educational setting.

There are many well-known Montessori graduates, including Helen Keller (an early student of Dr. Montessori), Julia Child, Jackie Kennedy and Gabriel Garcia Marquez. More recently, internet superstars Larry Page and Sergey Brin, founders of Google.com, credit their years as Montessori students as a major factor behind their success. On an ABC-TV special with Barbara Walters the two said they learned to be self-directed and self-starters at Montessori, and that their Montessori education allowed them to learn to think for themselves and to pursue their own interests. Through freedom, they say, they found discipline. Whether through well publicized quotes, studies, or quietly shared with family and friends, students of Montessori seem to develop and carry with them a life-long love of learning and the self-confidence that accompanies that.

B: THREE YEAR BUDGET

The following three year budget shows the anticipated expenses in relation to the areas covered by the Federal Start Up Grant. In total, we are requesting $550,000 for the project.

For our complete budget, please see Appendix A: Anticipated Expenditures & Revenue (Federal Grant & Equitable Aid).

	Year 1	Year 2	Year 3
ANTICIPATED EXPENDITURES	Federal Grant Funds	Federal Grant Funds	Federal Grant Funds
Curriculum and Instruction			
Salaries, Lead Teachers		$13,200.00	$20,200.00
Curriculum Development	$4,000.00	$2,000.00	$2,000.00
Workers Compensation	$500.00		
Consultants (including Literacy Coach)	$4,000.00	$35,000.00	$5,000.00
Professional Development	$2,500.00	$5,000.00	$5,000.00
Contracted Curriculum Programs (Art, Music & Language)		$2,500.00	$2,500.00
Testing & Assessment Materials & Services	$0.00	$5,000.00	$5,000.00
Subtotal	$11,000.00	$62,700.00	$39,700.00

ANTICIPATED EXPENDITURES (cont'd)	Year 1 Federal Grant Funds	Year 2 Federal Grant Funds	Year 3 Federal Grant Funds
Furniture and Equipment			
Classroom Furniture & Equipment	$55,000.00	$55,000.00	$40,000.00
Computer, Software, Licenses, Connectivity	$12,000.00	$11,000.00	$13,000.00
Supplies (excluding classroom set up)	$4,500.00	$6,500.00	$7,000.00
Supplies, Health		$200.00	$200.00
Office Equipment	$4,000.00	$1,500.00	$1,750.00
Office Furniture	$5,000.00	$1,000.00	$1,000.00
Subtotal	$80,500.00	$75,200.00	$62,950.00
Administrative & Governance			
Head of School	$28,000.00	$28,000.00	$21,300.00
Benefits	$3,000.00		
Contracted Services, Board/School Management	$2,500.00	$3,000.00	$3,000.00
Other Purchased Services: Background Checks	$2,500.00		
Board/School Liability & Building Insurance	$4,000.00		
Postage	$700.00	$1,500.00	$2,000.00
Advertising & Program Material Dissemination	$3,500.00	$2,000.00	$2,500.00
Printing (Recruitment & Informational Materials)	$2,500.00	$1,000.00	$1,000.00
Travel (Conference & Professional Development)	$2,500.00	$2,500.00	$5,000.00
Supplies & Reference Materials	$5,300.00	$1,000.00	$1,000.00
Audit	$3,000.00	$2,000.00	
Legal Services	$10,000.00	$4,000.00	$2,000.00
Subtotal	$67,500.00	$45,000.00	$37,800.00
Facility Readiness			
Custodial Fees	$1,000.00	$0.00	$0.00
Support Staff (Secretarial & Bookkeeping)	$5,000		
Engineering, Architect Consulting	$1,000.00	$0.00	$0.00
Network Cabling & Set-up, Security	$1,500.00	$0.00	$1,000.00
Trash Removal, Plowing, Grounds, Etc	$1,000.00	$0.00	$0.00
Copier Services	$1,000.00	$0.00	$0.00
Building Repairs & Renovations	$25,000.00	$2,500.00	$0.00
Rent/Initial Program Space	$18,000.00	$0.00	$0.00
Phone	$1,000.00	$0.00	$0.00
Supplies, Building & Grounds (including signage)	$6,400.00	$1,000.00	$0.00
Electricity	$1,500.00	$0.00	$0.00
Heat/AC	$750.00	$0.00	$0.00
Subtotal	$63,150.00	$3,500.00	$1,000.00
TOTAL ANTICIPATED EXPENDITURES	$222,150.00	$186,400.00	$141,450.00

C: GOALS AND OBJECTIVES

C1: CURRICULUM AND INSTRUCTIONAL GOALS

Mill Falls will provide an academic experience above and beyond the *Common Core Curriculum,* delivered through the *Montessori Scope and Sequence.* It will fully embrace the Montessori

Appendix 3

Mill Falls Federal Grant Budget

MFCS 2013/14 Budget

APPROVED AT 8/19/13 Board Meeting
Notes: MFCS Fiscal Year runs 8/1- 6/31 each year.
The three Year Fed Start Up Grant runs from 8/1-7/31 each year.

	Federal Grant	Unrestricted	2013-2014 Budget Total
INCOME			
Contributed Support			
School Based Fundraising		$ 800	$ 800
TOTAL Contributed Support		$ 800	$ 800
Federal Grant			
Federal Start-up Grant Year Three (8/1/13-7/31/14)	$ 141,450		$ 141,450
Federal Grant Carryover	$ 41,841		$ 41,841
TOTAL Federal Grant	$ 183,291		$ 183,291
State Support			
Equitable Aid		$ 618,360	$ 618,360
Unrestricted Carryover		$ 36,988	$ 36,988
TOTAL INCOME	$ 183,291	$ 656,148	$ 839,439
EXPENSE			
Instructional Program Expenses			
Teachers, Salaries	$ 6,678	$ 166,682	$ 173,360
Support Staff, Salaries	$ 4,035	$ 80,791	$ 84,826
Field Trips	$ -	$ 150	$ 150
Substitute Teachers	$ -	$ 1,000	$ 1,000
Professional Development	$ 4,800	$ -	$ 4,800
Special Programs	$ -	$ 11,520	$ 11,520
Special Programs Supplies	$ 1,200	$ -	$ 1,200
Literacy Program Materials	$ 17,800	$ -	$ 17,800
Classroom Supplies	$ 3,436	$ 3,064	$ 6,500
Computer Software, Licenses, Connectivity	$ 800	$ -	$ 800
Furniture & Materials	$ 83,500	$ -	$ 83,500
New Computers, Networking	$ 12,327	$ -	$ 12,327
TOTAL Instructional Program Expenses	$ 134,576	$ 263,207	$ 397,783
Student Support Services			
ESOL Program	$ 1,467	$ 11,493	$ 12,960
ESOL Testing/Appraisal Services	$ -	$ 2,700	$ 2,700
Reading Interventionist	$ 1,468	$ 9,732	$ 11,200
Related Services Testing/Appraisal	$ -	$ 2,340	$ 2,340
Interpretation/Translation Services	$ -	$ 250	$ 250
Support Services - Supplies	$ -	$ 500	$ 500
TOTAL Student Support Services	$ 2,935	$ 27,015	$ 29,950
Health Services			
Health Services-Supplies	$ -	$ 500	$ 500
TOTAL Health Services	$ -	$ 500	$ 500
TOTAL Instructional, Health & Support	$ 137,511	$ 290,722	$ 428,233
General Administration Support			
School Administration, Salaries	$ 25,807	$ 114,253	$ 140,060
FICA/Medicare Expense	$ -	$ 30,677	$ 30,677
Workers Compensation	$ -	$ 2,560	$ 2,560
Benefits Programs - Health Insurance)	$ -	$ 31,200	$ 31,200
Retirement Program - All Staff	$ -	$ 1,620	$ 1,620
Unemployment Compensation	$ -	$ 7,500	$ 7,500
Background Checks	$ -	$ 150	$ 150
Postage	$ 600	$ -	$ 600
Supplies - General	$ 3,311	$ 3,189	$ 6,500
Advertising	$ 1,000	$ -	$ 1,000
Printing	$ 70	$ 1,930	$ 2,000
Travel	$ 800	$ -	$ 800
Supplies - Equip & Furniture	$ 500	$ -	$ 500
Software	$ 2,000	$ -	$ 2,000
New Computers, Networking	$ 2,000	$ -	$ 2,000
Dues & Fees	$ -	$ 4,775	$ 4,775
Bookkeeper	$ -	$ 4,000	$ 4,000
Audit	$ 4,243	$ 1,507	$ 5,750
Legal Services	$ 2,949	$ 1,051	$ 4,000
TOTAL General Administration Support	$ 43,280	$ 204,412	$ 247,692
Opereration & Maint. of Facility			
Contracted Services - Facility Cleaning	$ -	$ 11,580	$ 11,580
Insurance	$ -	$ 3,473	$ 3,473
Copier Services	$ 500	$ -	$ 500
Telephone	$ -	$ 2,000	$ 2,000
Building & Grounds-Supplies	$ -	$ 1,000	$ 1,000
Lifes Safety	$ 2,000	$ -	$ 2,000
Rent - Building	$ -	$ 83,586	$ 83,586
Principal Payment on Loan		$ 35,586	$ 35,586
Depreciation		$ 32,588	$ 32,588
TOTAL Opereration & Maint. of Facility	$ 2,500	$ 169,813	$ 172,313
Operation of Non-Instructional Services			
Student Services, Other	$ -	$ 500	$ 500
TOTAL Operation of Non-Instructional Services	$ -	$ 500	$ 500
TOTAL Administration & Facilities	$ 45,780	$ 374,725	$ 420,505
TOTAL EXPENSE	$ 183,291	$ 665,447	$ 848,738
Surplus/(Deficit)	$ -	$ (9,299)	$ (9,299)

Handwritten margin notes: "5%", "Future grades"

	MFCS Federal Grant Year 1 August 1, 2011 - July 31, 2012	Grant Yr 1 Request	MFCS Federal Grant Year 2 August 1, 2012 - July 31, 2013	Grant Yr 2 Request	MFCS Federal Grant Year 2 August 1, 2012 - July 31, 2013	Grant Yr 3 Request
100	Curriculum Development	$ 2,000.00	Salaries Lead Teacher		Lead Teachers, Salaries (prog/curricu dev.)	$ 6,678
100	Head of School	$ 25,000.00	Head of School	$ 49,550.00	Support Staff Salaries	$ 4,035
					School Administration, Salaries (HOS & TLC)	$ 25,807
					ESOL Program (program development)	$ 1,467
					Reading Interventionist (prog. dev.)	$ 1,468
100 Total		$ 27,000.00		$ 49,550.00		$ 39,455
300	Professional Development	$ 2,500.00	Professional Development (staff)	$ 6,550.00	Professional Development (staff)	$ 4,052
300 Total		$ 2,500.00		$ 6,550.00		$ 4,052
400	Rent/Initial Program space	$ 22,000.00				
400	Phone	$ 1,000.00				
400	Supplies building and grounds(incl signage)	$ 8,650.00				
400 Total		$ 31,650.00				
500	Contracted Services Board/School mgmt*	$ 173.93				
500	Other Purchase Services Background checks	$ 2,500.00				
500	Audit	$ 4,000.00	Audit	$ 9,000.00	Audit	$ 4,243
500	Legal Services	$ 5,000.00	Legal Services		Legal Services	$ 2,949
500	Custodial fees	$ 1,500.00				
500	Network cabling and setup	$ 3,900.00				
500	Copier Services	$ 1,000.00				
500	Building repairs and renovation	$ 25,000.00				
500 Total		$ 43,073.93		$ 9,000.00		$ 7,192
520	Board/school Liability Insurance	$ 4,000.00				
520 Total		$ 4,000.00				
540	postage	$ 700.00				
540	Advertising & Program material	$ 3,500.00	Advertising & Program Materials	$ 1,500.00	Advertising (lottery and HR)	$ 1,000
540	Printing recruitman & Informational material	$ 2,500.00			Printing (lottery materials)	$ 70
					Copier Services (programatic)	$ 500
540 Total		$ 6,700.00		$ 1,500.00		$ 1,570
580	Travel -Conference and PD	$ 2,500.00	Travel - for Conference/PD/Mtgs	$ 726.07	Travel (reimb for travel to PD, IEP mtgs, etc)	$ 529
580 Total		$ 2,500.00		$ 726.07		$ 529
			Testing and Assessment Materials	$ 4,000.00		
600	Supplies Office (exclude classroom setup)	$ 3,500.00	Supplies (exclude classroom setup)	$ 4,500.00	Supplies - General Office (non-classroom specific)	$ 3,311

Code	Year 1 Description	Year 1 Amount	Year 2 Description	Year 2 Amount	Year 3 Description	Year 3 Amount
600	Supplies & Reference material (incl classrm)	$ 2,000.00	Supplies & Reference Material	$ 4,650.00	Classroom Supplies	$ 3,436
600 Total		$ 5,500.00		$ 13,150.00		$ 6,747
					New Computers, Networking (instructional)	$ 12,327
650	Computer, Software Licenses	$ 12,000.00	Computers, Software Licenses	$ 13,100.00	Comp. Software, Licenses, Connectivity (instr.)	$ 800
650 Total		$ 12,000.00		$ 13,100.00		$ 13,127
700	Classroom furniture and Equip	$ 76,000.00	Classroom Furniture and Equip	$ 90,150.00	Furniture & Materials (instructional)	$ 68,278
700	Office Equipment	$ 3,900.00	Office Equipment	$ 5,000.00	Supplies - Equip & Furniture (non-classroom)	$ 500
700	Office furniture	$ 5,000.00	Office Furniture			
700 Total		$ 84,900.00		$ 95,150.00		$ 68,778
	TOTAL Grant Year 1	219,824	TOTAL Grant Year 2	$ 188,726.07	TOTAL Grant Year 3	$ 141,450

$

550,000.00

Appendix 4

SERESC Invoice 2227905-IN

INVOICE

SOUTHEASTERN REGIONAL EDUCATION SERVICE CENTER, INC.
29 COMMERCE DRIVE   BEDFORD, NH 03110
PH. (603) 206-6800   FAX (603) 206-6598
www.seresc.net   Tax ID # 02-0315121

INVOICE NUMBER: 2227905-IN

INVOICE DATE: 4/21/2014

SALESPERSON:

SALES TAX CODE:

GREAT BAY CHARTER SCHOOL
ATTN: PETER STACKHOUSE
30 LINDEN STREET
EXETER, NH 03833

CUSTOMER NO.:   GREATBA
CUSTOMER P.O.:

SHIP VIA:
TERMS: NET 15

CONTACT:

CODE	DESCRIPTION	UNIT	QUANTITY	PRICE	AMOUNT
39	GREAT BAY STUDENT VOICE CONSULTING - RICHARD AYERS		1.00	900.00	900.00
39	GREAT BAY STUDENT VOICE CONSULTING - JANE BURGERON-BEAULIEU		1.00	1,800.00	1,800.00
39	GREAT BAY STUDENT VOICE TRAVEL		1.00	120.00	120.00
39	GREAT BAY STUDENT VOICE ADMINITRATION - PAT LARKIN		1.00	500.00	500.00
39	GREAT BAY STUDENT VOICE VIDEO PRODUCTION		1.00	300.00	300.00
39	GREAT BAY STUDENT VOICE SYMPOSIUM NET EXPENSES		1.00	1,415.28	1,415.28
39	GREAT BAY STUDENT VOICE BALANCE FORWARD FROM YEAR 1		-1.00	238.84	-238.84

PLEASE INCLUDE THE INVOICE NUMBER ON YOUR CHECK
THANK YOU

INVOICE TOTAL: 4,796.44

Appendix 5

SERESC Year 1

NHDOE Grants System   Welcome **Peter Stackhouse**   Selected Fiscal Year: | 2012-2013 ⬍ |

Charter School Grant Grant Application for 1046 - Great Bay Elearning Charter School

PROJECT NO: 34202
PROJECT STATUS: Approved on 2/12/2013 3:27 PM by millymills

Edit this grant application...   Attachments (2) Take Snapshot Reporting Status History Inventory Contacts

ALLOCATION AMOUNT: BUDGETED AMOUNTS: AMOUNTS PAID:

| Public Charter Schools $65,000.00 | | Public Charter Schools $65,000.00 | | Public Charter Schools $40,543.00 |

IDENTIFYING INFORMATION:

	CFDA #:	Start Date:	End Date:
Public Charter Schools	84.282A	9/1/2012	9/1/2014

Agency Responsible for Programmatic and Fiscal Administration:

Agency Name: Great Bay eLearning Charter School

Agency Address: 30 Linden Street
                 Exeter, NH 03833

Project Manager: Peter Stackhouse   Phone No: (603) 775-8638

Title: Executive Director

Fax: 603 775-8528   E-mail: pstackhouse@gbecs.org   Notify: ☑

Fiscal Contact: Nathan Lunney   Phone No: 603 926 4560

Title: Treasurer

Fax: 603 926 5070   E-mail: nlunney@gbecs.org   Notify: ☑

Contact Person (if different):   Phone No:

Fax: Contact Email: Notify: ☐

Activities Entered: 4
Sort Actvities By:Activity ID Update Date Category Priority

ACTIVITY ID: **22337** LAST UPDATED: 2/5/2013 12:58:38 PM   Inventory
   FIRST APPROVED: 2/12/2013 3:27 PM

CATEGORY:

N/A

PRIORITY:

The Great Bay Charter School and SERESC will promote the dissemination of practices that have made GBeCS successful. To that end, the organizations will partner to promote activities related to "Teachers Talking to Teachers...The Real Deal". This will focus upon the creation of professional learning groups facilitated by GBeCS educators leading to the sharing and demonstration of curricular, instructional, and assessment practices in place at the school.

ACTIVITIES:

2210 340 Promotion, event hosting, and consultation--SERESC
2213 320 Presentation, visitation hosting, organization, support and fulfillment of professional learning groups--GBeCS

PERFORMANCE MEASUREMENT: Events, visits, professional learning group activities

OUTCOME:

Function Code	Object Code	CHARTER
2210 - Improvement of Instruction Services	340 - Technical Services	$10,000.00
2213 - Instructional Staff Training Services	320 - Professional Educational Services	$10,000.00
	Totals:	$20,000.00

ACTIVITY ID: **22334** LAST UPDATED: 2/5/2013 1:03:57 PM   Inventory
     FIRST APPROVED: 2/12/2013 3:27 PM

CATEGORY:

N/A

PRIORITY:

The Great Bay Charter School and SERESC will partner to promote collegial discussions related to innovative teaching and learning practice. By arranging, promoting, and hosting "Knowledge and Know-How" symposia, visits, and/or other events GBeCS and SERESC will promote the discussion of teaching and learning practices at GBeCS that focus upon culture and climate, curriculum, instruction, and assessment.

ACTIVITIES:

2210 340 Consultation, hosting, promotion, advertisement, and organization of events--SERESC
2213 320 Consultation, hosting, presentation of best practices events--GBeCS

PERFORMANCE MEASUREMENT: Visits, Symposia, Events to promote teaching and learning at GBeCS

OUTCOME:

Function Code	Object Code	CHARTER
2210 - Improvement of Instruction Services	340 - Technical Services	$10,000.00
2213 - Instructional Staff Training Services	320 - Professional Educational Services	$10,000.00
	Totals:	$20,000.00

ACTIVITY ID: **22333** LAST UPDATED: 2/5/2013 12:01:14 PM   Inventory
     FIRST APPROVED: 2/12/2013 3:27 PM

CATEGORY:

N/A

PRIORITY:

Dissemination of Best Practices: Production of "Portrait of the Great Bay Charter School" Video and marketing of school's message related to teaching and learning

ACTIVITIES:

2229 340 Technical Services: Video Production: "Portrait of The Great Bay Charter School"--Outside Videographer
2210 340 Technical Consulting: Dissemination of best practices via video and marketing school's message related to teaching and learning--SERESC
2220 734 Laptop for video editing and presentation services--GBeCS
2220 340 Technical services, web page video integration--GBeCS

PERFORMANCE MEASUREMENT: Videography, Post-production, consulting, production of clips for school's website

OUTCOME:

Function Code	Object Code	CHARTER
2229 - Other Educational Media Services	340 - Technical Services	$1,500.00

2210 - Improvement of Instruction Services	340 - Technical Services		$5,000.00
2220 - Educational Media Services	734 - New Computers and Communications Equipment		$1,600.00
2220 - Educational Media Services	340 - Technical Services		$1,900.00
		Totals:	**$10,000.00**

ACTIVITY ID: **22138** LAST UPDATED: 2/5/2013 1:08:29 PM   <u>Inventory</u>
   FIRST APPROVED: 2/12/2013 3:27 PM

CATEGORY:

 N/A

PRIORITY:

The NH Public Charter School Association will host a "Dissemination of Best Practices" event during both the 2012-2013 and 2013-2014 school years. By doing so, the organization provides a unique professional development opportunity open to all educators.

ACTIVITIES:

2210 340 Technical and logistical support by New Hampshire Public Charter School Association ($7,500 for each of two years =$15,000 Total)

 PERFORMANCE MEASUREMENT: Technical consulting, Organization of annual conferences for dissemination of best practices

 OUTCOME:

Function Code	Object Code		CHARTER
2210 - Improvement of Instruction Services	340 - Technical Services		$15,000.00
		Totals:	**$15,000.00**

	Dissemination Grant	Activity I 22138	Activity II 22333	Activity III 22334	Activity IV 22337
Grant Award	$65,000.00	$15,000.00	$10,000.00	$20,000.00	$20,000.00
Total Expenses	-$55,469.25	-$15,000.00	-$7,568.00	-$12,901.25	-$20,000.00
Balances	$9,530.75	$0.00	$2,432.00	$7,098.75	$0.00

	ACTIVITY I (22138)	2210341 Tech Svc	NHPCSA		
	Grant		15,000.00		
04/02/13	NHPCSA Check #766	-7,500.00			
04/30/13	Reimbursement		7,500.00		
09/27/13	NHPCSA Check #888	-7,500.00			
10/01/13	Reimbursement		7,500.00		
	Subtotal Act I	-15,000.00	15,000.00	0.00	
		Expenses	Reimburse	Available Activity I	

Activities: 2210-341 Technical and logistical support by NHPCSA ($7,500 for each of two years = $15,000 Total)

	ACTIVITY II (22333)	Videographer 2229-342	SERESC 2210-342	Laptop GBeCS 2220-734	Tech / GBeCS 2220-342	Totals
	Grant	1,500.00	5,000.00	1,600.00	1,900.00	10,000.00
4/2/13	Bixby Farms Check #765	-405.00				-405.00
4/2/13	SERECS Check#769		-2,500.00			-2,500.00
5/10/13	Apple/Citizens Check #792			-1,600.00		-1,600.00
4/30/13	Bixby Farms Check #785	-187.00				-187.00
4/30/13	Bixby Farms Check#785	-376.00				-376.00
7/31/13	Reimbursement	563.00				563.00
4/30/13	Reimbursement	405.00	2,500.00	1,600.00		4,505.00
4/30/14	SERESC #208		-2,500.00			-2,500.00

Subtotal

	Videographer 2229-342			SERESC 2210-342			Laptop GBeCS 2220-734			Tech/ GBeCS 2220-342			Totals		
	Expenses 2229-342	Reimburse	Available Video Prod SVC	Expenses 2210-342	Reimburse	Available Tech Consult	Expenses 2220-734	Reimburse	Available Equip	Expenses 2220-342	Reimburse	Available Tech SVC	Total Expenses Act II	Total Reimburse Act II	Total Available Activity II
Subtotal	-968.00	968.00	532.00	-5,000.00	2,500.00	0.00	-1,600.00	1,600.00	0.00	0.00	0.00	1,900.00	-7,568.00	5,068.00	2,432.00

Activity II (22333) Production of Portrait of the Great Bay Charter School" Video and marketing of school's message reated to teaching and learning.

2229-342 Technical Services: Video Production: "Portrait of The Great Bay Charter School" Videographer

2210-342 Technical Consulting: Dissemination of best practices via video and marketing school's message related to teaching and learning SERECS

2220 734 Laptop for video editing and presentation services GBECS

2220 342 Technical services, web page video integration GBECS

Technical Services 2210-342 $5,000 SERESC / Technical Services 2220-342 $1,900 GBECS / Technical Services 2229-342 $1,500 Videographer

New Computer 2220-734 $1,600 GBECS

Activity III

Date	ACTIVITY III (22334)	GBECS 2213-323	SERESC 2210-343	Totals	
	Grant	10,000.00	10,000.00	20,000.00	
	Expenditures				
04/02/13	SERECS #769		-5,000.00	-5,000.00	
04/17/13	Great Bay Limo #780	-475.00		-475.00	
04/30/13	Reimbursement		5,000.00	5,000.00	
07/31/13	Reimbursement	475.00		475.00	
11/22/13	EACC #136	-400.00		-400.00	Intern Showcase
02/11/14	GBeCS/Citizen Check#161	-100.19		-100.19	SV/TRHS Lunch
03/28/14	Cheryl McDonough Check#184	-633.71		-633.71	Conference
04/09/14	Great School Partnership #190	-200.00		-200.00	Conference
04/15/14	ERCSD #194	-90.00		-90.00	Open House
04/15/14	First Student #195	-200.75		-200.75	MUN Trans
04/15/14	First Student #195	-200.75		-200.75	MUN Trans
04/15/14	SST-FBLA #196	-39.60		-39.60	SV Posters
04/22/14	SERESC #206		-4,796.44	-4,796.44	SV
04/21/14	GBeCS Student Activity #204	-325.25		-325.25	Math Meet
4/30/14	Safeway Transportation #207	-236.00		-236.00	SV Transporation
04/30/14	SERESC #208		-203.56	-203.56	
				0.00	
				0.00	
				0.00	

Subtotals Exp:

	GBECS 2213-323			SERESC 2210-343			Totals		
	Exepenses 2213-323	Reimburse	Available Prof Ed SVC	Exepenses 2210-343	Reimbursed	Available Tech SVC	Total Exp Act III	Total Reimburse Act III	Total Available Activity III
	-2,901.25	475.00	7,098.75	-10,000.00	5,000.00	0.00	-12,901.25	5,475.00	7,098.75

Activity III (22334)   To promote collegial discussions related to innovative teaching & learning practice.

2213-323 Consultation, hosting, presentation of best practices events. GBECS

2210-343 Consultation, hosting, promotion, advertisment and organization of events. SERESC

5541676 Consultation, hosting, promotion,advertisment and organization of events. *SERESC*

Professional Educational Services 2213-323 $10,000 *GBECS*

Technical Services 2210-343 $10,000 *SERESC*

ACTIVITY IV 22337	GBECS 2213-324 Expense 2213-324	Reimburse	Available Prof Ed SVC	SERESC 2210-344 Exepense 2210-344	Reimburse	Available Tech SVC	Totals Total Exp Activity IV	Total Reimburse	Total Available Activity IV
Grant	10,000.00			10,000.00			20,000.00		
Expenditures									
06/28/13 SEREC #819				-5,000.00			-5,000.00		
09/25/13 Dell #883	-1,796.59						-1,796.59		
09/09/13 Citizens/Apple #102	-8,203.41						-8,203.41		
10/01/13 reimbursement		10,000.00			5,000.00		15,000.00		
04/30/14 SERESC#208				-5,000.00			-5,000.00		
							0.00		
Subtotals	-10,000.00	10,000.00	0.00	-10,000.00	5,000.00	0.00	-20,000.00	15,000.00	0.00

Activity IV (22337)

2210-340 Promotion, event hosting, and consultation SERESC

2213-324 Presentation, visitation hosting, organization, support and fulfillment of professional learning groups GBECS

2213-324 Professional Educational Services $10,000 GBECS

2210-344 Technical Services $10,000 SERESC

Check #	Date	Vendor Name	Amount	Note
765	04/02/12	Bixby Farm Media Productios	$405.00	
766	04/02/12	NH Public Charter School Association	$7,500.00	
769	04/02/12	Southeastern Regional Education Service	$7,500.00	
780	04/17/13	Great Bay Limousine	$475.00	SV in Bedford, NH
785	04/30/13	Bixby Farm Media Productios	$563.00	
792	05/10/13	Citizens/Apple	$1,600.00	(Total ck written $1791)
819	06/28/13	Southeastern Regional Education Service	$5,000.00	
883	09/25/13	Dell Marketing L.P.	$1,796.59	
888	09/27/13	NH Public Charter School Association	$7,500.00	
102	10/11/13	Citizens/Apple	$8,203.41	
136	11/22/13	Exeter Area Chamber of Commerce	$400.00	Intern Showcase
161	02/11/14	Citizens/Supreme	$100.19	SV w/TRHS Lunch (Total CK written $240.18)
184	03/28/14	McDonough, Cheryl	$633.71	Conference w/EF
190	04/09/14	Great School Partnership	$200.00	Conference w/EF
194	04/15/14	Exeter Regional Cooperative School Dist	$90.00	Open House Building Fee
195	04/15/14	First Student	$401.50	Model UN in Plymouth, NH
196	04/15/14	SST - FBLA	$39.60	SV Posters
204	04/21/14	GBeCS Student Activity Fund	$325.25	Math Meet
206	04/22/14	SERCS	$4,796.44	SV
207	04/30/14	Safeway Transportation	$236.00	SV Transportation
208	04/30/14	SERCS	$7,703.56	Act II, III, IV
			$55,469.25	