FIS 20-256
Approved by the Fiscal Committee 12/11/2020

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December 4, 2020

Representative Ken Weyler, Chairman
Fiscal Committee of the General Court
State House
Concord, NH 03301

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

1. Pursuant to RSA 14:30-a, VI, authorize the Department of Education, Bureau of Educational Opportunities to accept and expend NH School Charter School Grant funds in the amount of $10,114,548 from the United States Department of Education, effective upon Fiscal Committee and Governor and Council approval through June 30, 2021. The budget for Fiscal Year 2021 is listed below. The balance of the grant, which is in the amount of $35,885,452, will be incorporated into the next two biennial budgets. 100% Federal Funds.

2. Pursuant to RSA 124:15, authorize the Department of Education, Bureau of Educational Opportunities to establish the following temporary full time positions effective upon Fiscal Committee and Governor and Council approval through June 30, 2021. 100% Federal Funds.

No.	Title	Labor Grade	Salary Range
1	Program Specialist III (1.0 FTE)	23	$46,761.00-65,949.00
2	Administrator I (1.0 FTE)	27	$55,555.50-$79,170.00

Funds to be budgeted as follows:

Charter School Grant
Account: 06-56-56-567010-24500000
Revenue Source Code: 400374

Class/Object	Description		FY 2021
Revenue			
000/400374	Federal Funds	$	10,114,548
Expenses			
020/500200	Current Expenses	$	13,118
026/500251	Organizational Dues	$	20,000
027/582803	Transfers to DoIT	$	11,200
028/582814	Transfers to General Services	$	10,270
029/500290	Intra-Agency Transfers	$	75,000
030/500301	Equipment	$	5,100
037/500173	Technology Hardware	$	5,600
038/500174	Technology Software	$	2,000
039/500177	Telecommunications	$	3,602
040/500800	Indirect Costs	$	15,264
041/500801	Audit Fund Set Aside	$	10,115
042/500620	Post Retirement Benefits	$	2,670
050/500109	Part-Time Salaries	$	2,659
059/500117	Temporary Full-Time	$	72,560
060/500601	Benefits	$	46,200
070/500704	In-State Travel	$	30,000
072/500577	Grants-Federal	$	9,103,094
080/500710	Out-of-State Travel	$	30,000
102/500731	Contracts for Program Svcs	$	656,096
		$	10,114,548

EXPLANATION

The New Hampshire Department of Education applied for and received a Charter School Program grant through the Federal Expanding Opportunity Through Quality Charter Schools Program (CSP) Grants to State Entities. This program expands opportunities for all students, particularly traditionally underserved students, to (1) attend charter schools and meet challenging State academic standards; (2) provide financial assistance for the planning, program design, and initial implementation of public charter schools; (3) increase the number of high quality charter schools available to students; (4) evaluate the impact of charter schools on student achievement, families, communities; (5) share best practices between charter schools and other public schools; and (6) support efforts to strengthen the charter school authorizing process.

New Hampshire's national recognition as a state that supports innovative practices of competency-based, personalized teaching and learning, as well as home to a coherent system of innovative assessment and accountability, makes it a true testing ground for new school development, particularly for at-risk students. Currently the state is home to 31 public charter schools. Seven of these schools meet the federal definition for high-quality charter school replication.

The five primary objectives of NH's CSP grant are: (1) Increase, expand, or replicate the number of high-quality charter schools, especially those aiding at-risk, educationally disadvantaged students in rural and urban settings; (2) use grant funds to improve student growth and achievement among charter school students, increasing student graduation for college and career readiness; (3) broadly disseminate charter school best practices to other NH public schools and LEAs to increase quality educational options statewide; (4) empower current and new public charter schools to become fiscally strong, independent, laboratories of innovation; (5) strengthen and support authorizer quality and promote adoption of best practices for authorizers.

In support of the objectives noted above, the Department commits to: adequately monitoring the eligible applicants receiving sub-grants under the State entity's program; working with the authorized public chartering agencies involved to avoid duplication of work for the charter schools and authorized public chartering agencies; and provide technical assistance and support for eligible applicants receiving sub-grants under the State entity's program as well as quality authorizing efforts in the State.

The CSP program has set reasonable expansion goals of 20 new public charter schools, 7 replications of existing public charter schools, and 5 expansions of high quality charter schools over the 5 year grant period. These expansion goals enable the State to target sub-grantee awards to existing charter schools that have demonstrated success and to expand or replicate the work they are doing, in addition to setting a foundation for success for new public charter schools. To assist in these efforts, the CSP program includes two staff positions; a program administrator and a program specialist.

The majority of the federal grant funds (90%) will be awarded to sub-recipients in the state of New Hampshire to accomplish the program priorities of creating, expanding, and replicating high quality charter schools. Specifically, sub-recipients have the ability to utilize the grant funds in the following ways:

- Preparing teachers, school leaders, and specialized instructional support personnel, including through paying the costs associated with
  - Providing professional development, and
  - Hiring and compensating, during eligible planning periods, teachers, school leaders, and instructional support personnel
- Acquiring supplies, training, equipment (including technology), and educational materials (including developing and acquiring instructional materials)
- Carrying out necessary renovations to ensure that a new school building complies with applicable statutes and regulations, and minor facilities repairs (excluding construction)
- Providing one-time, startup costs associated with providing transportation to students to and from the charter school
- Carrying out community engagement activities, which may include paying the cost of student and staff recruitment
- Providing for other appropriate, non-sustainable costs related to the program objectives when such costs cannot be met from other sources.

The Department currently has five charter schools that are approved by the State Board of Education and may be eligible for startup funding grants of up to $1,500,000 each, four of which are open with students enrolled and one of which is planning to open in the fall of 2021. Grant allocations to those schools in FY 2021 are estimated to be $7,500,000. Those schools are as follows:

- Heartwood Public Charter School, K-8, Lancaster, NH
- Kreiva Academy Public Charter School, K-8, Manchester, NH
- Northeast Woodlands Public Charter School, K-8, Conway, NH
- Spark Charter Academy of Advanced Technologies, 9-12, Manchester, NH
- Windham Academy Public Charter School, K-8, Windham, NH

The Department currently has one charter school that is seeking approval by the State Board of Education and may be eligible for startup funding grants of up to $1,500,000. The school may be approved by the State Board of Education

in December of 2021 and plans to open with students enrolled in the fall of 2021. Grant allocations for this school in FY 2021 are estimated to be $1,500,000. The school is:

- Gathering Waters Chartered Public School, K-12, Keene, NH

Additionally, the Department currently has twenty chartered public schools that are approved by the State Board of Education that are looking to expand and may be eligible to receive expansion grants of up to $600,000 each. Grant allocations to those schools in FY 2021 are estimated to be $12,000,000, well over the actual grant amount, which would necessitate a competitive process for selection. Those schools are as follows:

- Strong Foundations Public Chartered School, K-8, Merrimack, NH
- Next Chartered Public School, 9-12, Derry, NH
- Ledyard Chartered Public School, 9-12, Lebanon, NH
- Virtual Learning Academy Chartered Public School (VLACS), K-12, Exeter, NH
- MicroSociety Chartered Public School, K-8, Nashua, NH
- Mill Falls Chartered Public School, K-6, Manchester, NH
- Northeast Woodlands Chartered Public School, K-7, Conway, NH
- The Birches Chartered Public School, K-8, Salem, NH
- Surry Village Chartered Public School, K-8, Surry, NH
- The Founders Academy Chartered Public School, 6-12, Manchester, NH
- Windham Chartered Public School, K-8, Windham, NH
- Robert Frost Chartered Public School, K-8, Conway, NH
- Seacoast Chartered Public School, K-8, Dover, NH
- Great Bay Chartered Public School, 6-12, Exeter. NH
- Granite State Arts Academy Chartered Public School, 9-12, Salem, NH
- Compass Classical Academy Chartered Public School, K-8, Franklin, NH
- Kreiva Academy Chartered Public School, 6-12, Manchester, NH
- Spark Academy of Advanced Technologies Chartered Public School, 9, Manchester, NH
- CSI Chartered Public School, 9-12, Penacook, NH
- PACE Career Academy Chartered Public School, 9-12, Pembroke, NH

Lastly, the North Country Charter Academy in Lancaster and Littleton, grades 7-12 would like to replicate a new school in the Lakes Region and may be eligible to receive a replication grant of $1,200,000 in FY 2021. Likewise, Academy for Science and Design in Nashua grades 6-12, one of the highest performing schools in the state, is interested in replicating their model and would be eligible to receive a replication grant of $1,200,000 in FY 2021. Grant allocations for these two schools would be $2,400,000 in FY 2021.

In addition to the completion of the program objectives and local uses of funds by sub-recipients, stated above, the CSP grant includes two state set-aside funding amounts, one that supports state-wide technical assistance and the other that supports the administrative functions of operating the grant. These two set-asides represent 10% of the total grant funding, with 7% reserved for state-level activities and 3% reserved for administrative capacity. In general, both set-asides will be used for ensuring that technical assistance is provided to eligible applicants and authorized public chartering bodies (LEAs and Department of Education) in carrying out the program objectives, improving the authorization process for charter schools within the state, and developing capacity for, and conducting, fiscal oversight and auditing of charter schools statewide.

In total, the Department estimates that the current approved and operating charter school sector in New Hampshire and State set-aside of the grant will utilize $25,740,000 of the $46,000,000 grant.

Virtual Learning Academy Chartered Public School (VLACS),
The response to the novel Covid-19 virus, VLACS was able to expand their grade levels to offer additional remote instruction services across the state. However, the increased expansion has not been enough to meet the demand for VLACS services, and the school is continuing to explore new ways to ensure that remote instruction services can be offered as supplemental to school districts across the state who are running hybrid and full remote-instruction models currently. The grant funds in this request would help to significantly expand VLACS in response to the needs of the state as NH continues to respond to the pandemic.

Education Innovation
The department continues to receive interest in the charter school grant by both local school districts and non-profit organizations pursuing education innovation. Some of these opportunities have already been shared with members of the fiscal committee while additional areas of interest are described below:

NH Career Academy: Typifying the educational innovation that is a hallmark of New Hampshire's charter schools, students in New Hampshire who are entering their senior year can participate in the Career Academy, which allows a student to dually enroll in a charter school and the state community college system. The program takes place over two years, and provides the participating students with the opportunity to finish their high school diploma while simultaneously earning an Associates degree or completing a college certificate program at no cost to the student.

Recovery High School: Working directly with a public school district, the department received an inquiry from an emerging group having expressed an interest in starting a recovery based high school. This also would be the first of its kind in New Hampshire, although 20 other states have already set up such 49 recovery based high school options for students, including Massachusetts which has 4 recovery based high schools. Given New Hampshire's high rates of substance misuse, including misuse among students, a recovery high school may meet an important need in the state.

Language Immersion Programs: Working directly with the Superintendent of the Manchester School District, the department coordinated a visit to two successful language immersion programs in Brockton and Milton Massachusetts. These programs, which include both American and immigrant students include instruction in two languages using different models. In Brockton, the instruction is split 50% in one language and 50% in English. In Milton, the instruction is conducted 90% in a foreign language up through 5th grade. Both models provide learning opportunities to students that are research based and, in longitudinal studies, result in stronger student outcomes.

Remote Instruction Programs: In response to the novel Covid-19 virus and related pandemic, several schools across the state have expressed interest in operating a remote instruction program via charter school model. This would allow schools to operate simultaneous programs for both remote instruction and traditional in-person instruction, ensuring that the educational needs of students are met across a variety of health and safety circumstances. The grant funds provided through the CSP grant program would allow public schools to expand their remote instruction responses within their local school community.

APPROPRIATION EXPLANATION

Class	Class Description	Explanation
020	Current Expenses	Appropriation to cover materials and supplies that will be used by staff.
026	Organizational Dues	Appropriation to cover state and/or national organizational dues for staff.
027	Transfers to DoIT	Appropriation to cover required IT support.
028	Transfers to General Services	Appropriation for staff work areas.
029	Intra-Agency Transfers	Appropriation to internal program support.
030	Equipment	Appropriation to provide new equipment to staff hired under the grant.
037	Technology Hardware	Appropriation to provide new computer hardware to staff under the grant.
038	Technology Software	Appropriation to provide new computer software to staff under the grant.
039	Telecommunications	Appropriation to provide VOIP and other telecommunications services.
040	Indirect Costs	Appropriation to meet the State of NH Statewide Cost Allocation Plan obligations.
041	Audit Fund Set Aside	Appropriation is based on .01 percent of the grant.
042	Post-Retirement Benefits	Appropriation to cover post retirement costs at the current rate of 10.43 percent.
050	Part Time Salaries	Appropriation to cover cost allocation of salary.
059	Personal Service Temp	Appropriation to fund requested positions in support of the grant activities.
060	Benefits	Appropriation to cover Health, Dental, Life, Medicare, FICA and Retirement Contributions for full time and cost allocated positions.
070	In-State Travel	Appropriation to cover travel for in state meetings, presentations and technical assistance.
072	Grants - Federal	Appropriation for the distribution of funds to grant sub-recipients.
080	Out of State Travel	Appropriation to cover staff travel to attend out of state meetings and presentations.
102	Contracts for Program Services	Appropriation to contract with providers of evaluation services, Technical Assistance and Trainings.

The following information is provided in accordance with the Comptroller's instructional memorandum dated September 21, 1981:

1. List All Personnel involved:

New Positions:

- Program Specialist III
- Administrator I

The Department is requesting authorization to use a portion of additional grant funds to support an existing position. This existing position will provide leadership and support for the grant:

- Business Administrator

2. Nature, Need, and Duration:
As stated above, the primary goals of the Charter School Program grant are to support new public charter schools, expand existing public charter schools, and replicate existing high-quality charter schools. The Bureau of Educational Opportunities will provide program oversight, training, and technical assistance to sub-grantees. The positions in this request will provide leadership and support for the grant. The CSP grant is a five-year program ending September 29, 2024 with the potential for extensions beyond the final year.

3. Relationship to Existing Agency Programs:
This grant will increase and expand upon the existing work of the Bureau of Educational Opportunities. The work afforded by this grant will be conducted in conjunction with current initiatives within the Office of Charter Schools as well as other initiatives in the Bureau of Instructional Support that provide support through current Federal Title programs to existing charter schools.

4. Has a Similar Program been Requested of the Legislature and Denied?
Yes.

5. Why wasn't this Funding Included in the Agency's Budget Request?
At the time that the State's Biennial Budget was being prepared, the Grant Award Letter had not been received. The Department was not awarded the funds until August 22, 2019.

6. Can any Portion of the Grant Funds Be Utilized?
No. The positions requested are necessary to fulfill the intent of the grant that was accepted by the Granting Authority.

7. Estimate the Funds Required to Continue the Position:
Salary and benefits for the two full-time temporary positions are expected to be $236,119 for FY22.

In the event Federal Funds become no longer available, General Funds will not be requested to support this program. Attached are copies of the grant awards.

Respectfully submitted,

Frank Edelblut
Commissioner of Education