



DISTRICT OF COLUMBIA

OFFICE OF THE STATE SUPERINTENDENT OF

EDUCATION

**CHARTER SCHOOLS PROGRAM (CSP)
PLANNING AND IMPLEMENTATION GRANT
PERMISSIBLE USE OF FUNDS**

All funded activities must support and be consistent with the stated intent of the approved charter local education agency (LEA). Under the allowable activities described in the [Title IV, Part C of the Elementary and Secondary Education Act, as amended \(Section 4303\(h\)\)](#), CSP Planning and Implementation grant funds can be used for the following:

1. Preparing teachers, school leaders and specialized instructional support personnel, including through paying costs associated with:
 - Providing professional development.
 - Hiring and compensating, during the eligible applicant’s planning period specified in the application for grant funds, one or more of the following:
 - Teachers
 - School Leaders
 - Specialized instructional support personnel
2. Acquiring supplies, training, equipment (including technology) and educational materials (including developing and acquiring instructional materials).
 - Equipment costs (items more than \$5,000 per unit) require prior written approval by the Office of the State Superintendent of Education (OSSE) to charge to the CSP grant. The grant application process in the Enterprise Grants Management System (EGMS) fulfills this requirement.
3. Carrying out necessary renovations to ensure that a new school building complies with applicable statutes and regulations, and minor facilities repairs (excluding construction).
 - Renovations or improvements that materially increase the value or useful life of a “capital asset” (e.g., land, building or facility, equipment and intellectual property [including software]) are “capital expenditures” and require prior written approval by OSSE to charge to the CSP grant. You must contact CSP program analyst Stacy Kirk (Stacy.Kirk@dc.gov) to provide specifics regarding the project and receive further instructions.
4. Providing one-time, start-up costs associated with providing transportation to students to and from the charter school.

5. Carrying out community engagement activities, which may include paying the cost of student and staff recruitment.
6. Providing for other appropriate, non-sustained costs related to the activities of opening and preparing for the operation of a new charter school when such costs cannot be met from other sources. These may include, but are not necessarily limited to, the following:
 - Costs associated with creating and implementing office functions, such as accounting systems, attendance and registration systems, and human resources policies.
 - Costs associated with the installation of computers, data systems, networks and telephones.
 - Personnel expenses incurred after the school's opening, provided that these expenses are associated with initial implementation activities (i.e., as opposed to ongoing operations), such as program and curriculum development and integration, and teacher and staff recruiting.
 - Note: If personnel split their time between ongoing operational activities and initial implementation activities, only that portion of the time associated with initial implementation of the charter school is allowable as an initial operational cost. The charter school must maintain accurate time and effort records to document the amount of time each employee works on tasks related to the initial operation of the charter school.
 - Rental or occupancy costs for the school facility for a reasonable period of time in preparation for the school's opening.

All the expenses described in 6 above are allowable under the CSP only to the extent that they are related to the initial implementation of the charter school and cannot be met from state or local sources. A charter school that has received state or local funds would have to demonstrate that state or local funds are unavailable to cover the expense at issue. If the charter school can show that the state or local funds it has received are necessary to meet expenses other than the one at issue, then the charter school has met its burden of showing that the "other initial operational cost" cannot be met from state or local sources and, therefore, is allowable under the CSP grant.

OSSE strongly encourages CSP Planning and Implementation grant applicants to use a portion of CSP funds to cover costs associated with Board of Trustees training and development, the establishment of a data system compatible with OSSE and the Public Charter School Board (PCSB) data system(s), and the development and production of a fiscal management manual. Applicants are also encouraged to use funds to address any stipulations mandated by PCSB within the conditional charter approval letter.

Unauthorized Activities of the CSP Planning and Implementation Grant

The following items cannot be funded and should therefore not be included in the grant application budget:

- Construction and any related construction activities, such as architectural renderings and engineering activities, unless pertaining to renovations to ensure that a new school building complies with applicable statutes and regulations (under 3 above)
- Recurring operational expenses to include administrative and programmatic activities such as utilities, teaching, administrator salaries (allowable under certain circumstances as mentioned under 6 above), professional dues or memberships, and transportation of students beyond the initial start-up costs mentioned above in 4
- Indirect costs, unless an LEA completes and submits an indirect cost packet to OSSE in order to receive an approved indirect cost rate
- Costs for student expeditions/field trips, travel, etc.
- Non-educational, non-informative promotional/novelty items for advertising, events, or recruiting
- Gift certificates, food or alcoholic beverages, school apparel for staff or students
- Fines and penalties, or lobbying expenses
- Program expenses outside the LEA's charter contract, (i.e., before/after school programs)
- Costs associated with the initial licensure or renewal of teacher licensure (including costs of continuing education credits for professional development coursework completed at a college or university)

Further, all CSP costs must be expended in accordance with [2 CFR Part 200, Subpart E](#). All expenditures must be necessary, reasonable, and allocable to the grant in order to be allowable under the CSP (2 CFR 200.403(a)). In particular, grantees should refer to the following provisions:

- Reasonable cost: A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. In determining reasonableness of a given cost, consideration must be given to, among other things, whether the cost is of a type generally recognized as ordinary and necessary for the operation of the non-federal entity or the proper and efficient performance of the federal award, and market prices for comparable goods or services for the geographic area. (2 CFR 200.404)

- Allocable cost: A cost is allocable if the goods and services involved are chargeable or assignable to the grant in accordance with the relative benefits received. (2 CFR 200.405(a))