



COVID-19 Charter School LEA Liaison Call

April 30, 2020

Dr. Robert Lundin, Assistant Commissioner
Judy Spencer, Director of Charter Schools

Call Participants

Target Audience

- LEA Senior-Level Liaisons to Charter Schools

Department Presenters

- Dr. Robert Lundin, Assistant Commissioner of School Models & Programs
- Judy Spencer, Director of Charter Schools

Other Department Representatives

- Christy Ballard, General Counsel
- Charlie Bufalino, Assistant Commissioner of Policy & Legislative Affairs
- Dr. Eve Carney, Chief Districts & Schools Officer
- Chelsea Crawford, Assistant Commissioner of Communications & Engagement
- Lee Danley, Deputy General Counsel
- Deborah Thompson, Assistant Commissioner of Federal Policy & Oversight

Intended Outcomes

- **Identify** updates relevant to charter schools and their supervising LEAs.
- **Define** systems and expectations for ongoing communications.
- **Collect** any unanswered questions for future responses.

Agenda

- Current Informational Resources
- IDEA Technology Partnership Grant
- CARES Act Updates
- LEA Authorizer Fee Reporting Next Steps
- Responses to Prior Queries:
 - IEP Timeline Extensions
 - Charter School vs. LEA Legal Advice
- Cadence of Future Communications
- Questions

Current Informational Resources

Charter schools and their supervising LEAs should continually monitor the department's dedicated COVID-19 site for updated information:

<https://www.tn.gov/education/health-and-safety/update-on-coronavirus.html>

This web page now includes the following recently updated resources pertinent to charter schools:

- [Graduation Ceremony Guidance](#) (Updated 4/23)
- [Federal Funds Guidance](#) (Updated 4/27)
- [School & District Accountability Guidance](#) (Updated 4/15)
- [Assessment Guidance](#) & [TCAP Return Instructions](#) (Updated 4/17)
- Nutrition [FAQs](#) & [Toolkit](#) (Updated 4/17)
- SBOE Emergency Rules [FAQs](#) & TDOE Guidance Documents (Updated 4/21)
- [TDOE / UTK COVID Professional Development for Principals](#) (Updated 4/24)

IDEA Technology Partnership Grant

- TDOE announced a new [Individuals with Disabilities Education Act \(IDEA\) Technology Partnership Grant](#) this week, making \$1 million dollars available for Tennessee school districts to better support the educational needs of students with disabilities by addressing technology needs that are a result of COVID-19 school closures.
 - This grant supports districts in purchasing additional assistive technology and tools to increase instructional access during closures.
 - All school districts are invited to apply. Districts demonstrating need and meeting requirements are eligible for up to \$20,000.
 - *The application, available now in [ePlan](#), is due May 8. Awards will be announced May 15.*

CARES Act Updates

■ Superintendent Surveys

- Majority of stakeholders in the state considered technology access and remote learning resources to be the top priorities for the state to address.
- Over 75% of superintendents identified hardware and technology as a priority;
- 62% identified special populations as a priority; and
- Almost 50% identified mental health and distance learning as priorities.

■ Public Surveys

- ~78,400 responses
 - Public comment mirrored superintendent feedback, with slightly higher requests for high-quality online materials being accessible to families and educators.
- TDOE will ensure that state set-aside funds reflect this feedback.

CARES Act Updates



CARES Act Updates

State Reservation (10%): \$25,989,115.40

TDOE expects that at least 75% of the state reservation will be spent on these areas:

- technological capacity and access—including hardware and software, connectivity, and instructional expertise—to support remote learning.
 - TDOE intends to prioritize disadvantaged populations listed in Sec. 18003(d)(4) of the CARES Act
- remote learning by developing new informational and academic resources and expanding awareness of and access to best practices and innovations in remote learning and support for students, families, and educators.

CARES Act Updates

LEAs Allocations (90%): \$233,902,038.60

- LEA allocations were determined by the relative share of the state's Title I allocation, which is in alignment with the methodology of the state allocation.
- Allocations were shared with districts on April 17.
- Planning, data, budget, assurances, and other information will be required in the application.
- LEAs will have until June 30, 2022 to obligate funds.
- Department will then have 90 days to recoup and reallocate to ensure no reversion of funds.

CARES Act Updates

The intent of the funding is to 1) provide relief for existing needs and 2) plan for future needs.

A summary of allowable uses of these one-time funds are listed below:

- purchasing **education technology** (including hardware, software, and connectivity);
- providing **summer learning and supplemental afterschool programs** (including on-line learning);
- planning **for long-term closures**;
- addressing the unique needs of **special populations**;
- providing **mental health services**; and
- conducting **other activities** necessary to maintain operation of services and employing existing staff and coordination activities, including childcare and the needs of principals and school leaders.

CARES Act Updates

- **CARES Act funding applications will be submitted on the LEA level.**
 - TDOE will specifically require information from applying LEAs on how funds will be made equitably accessible to charter schools.
 - Webinar on district application is released May 18
 - District application opens in ePlan on May 26 and closes June 15
 - Awards will be made by June 30 (tentative)

CARES Act Updates

Prior to the release of the LEA application, leadership is encouraged to:

- identify areas where you have surplus funding (transportation, operations, PD) and how they could be repurposed towards new expenses (food service, substitute and hourly salaries, technology).
- begin to reach out to non-public schools in their LEA regarding participation.
- thinking about next year and needs.
- complete ePlan User Access Forms for those who will need access to the application when it opens.

Note: Access will automatically be granted to those who have FY21 CFA access as of April 30.

CARES Act Updates

- **Congress has allocated an additional \$310 billion toward SBA loans.**
 - [“Paycheck Protection Program”](#)
 - The PPP will cover two months of a schools 2019’s average monthly payroll, with an additional 25 percent for operating costs such as rent or mortgage and utilities- up to a maximum of \$10 million. The loans carry one-percent interest, with a maturity term of two years. Borrowers are not required to make loan payments for the first six months. Nor are they required to put up collateral, make personal guarantees or pay fees. The federal government will direct-deposit the loan into a qualifying organization’s bank.
 - The guidelines require that 75 percent of a PPP loan be used to fund payroll and employee benefits, and allows for the remaining 25 percent to be spent on mortgage interest payments, rent and lease payments and utilities. If schools adhere to these guidelines, the government will forgive 100 percent of its loan, effectively turning it into a tax-free grant.
 - Parochial, private and charter schools should be eligible for the PPP if they apply individually by school, rather than as a network of schools, because the loans are limited to businesses that have fewer than 500 employees.

CARES Act Updates

- **Congress has allocated an additional \$310 billion toward SBA loans.**
 - [“Economic Injury Disaster Loan”](#)
 - Unlike the PPP program, the EID loan does not include a forgiveness provision. However, for organizations that do not qualify for PPP or don’t get approval before the money runs out, it is not a terrible option if the alternative is permanent closure.
 - The EID offers up to \$2 million in assistance to nonprofits and for-profits to help overcome temporary loss in revenue caused by COVID-19.
 - The interest rate is 2.75 percent for nonprofits and 3.75 percent for for-profits, with repayment terms of up to 30 years. The long term means monthly repayments would be relatively low. While the PPP is calculated on payroll, the EID would be based on loss of tuition.
 - Organizations can only apply for one or another.

LEA Charter Authorization Fee Summaries

Effective June of 2019, Tennessee State Board of Education Chapter 0520-14-01-.05 was revised to include additional financial reporting requirements for LEAs overseeing charter schools.

- By December 1 of each year, each LEA that collects an annual authorizer fee shall report to the Department of Education the total amount of authorizer fees collected in the previous school year and the authorizing obligations fulfilled using the fee. Reports shall be submitted on a reporting form developed by the Dept. of Education.
- Each authorizer fee report shall be posted on the TDOE and SBOE websites.
- If, for any school year, the total amount of authorizer fees collected by the LEA exceeds the amount used by the LEA to perform its authorizing obligations and responsibilities, the LEA shall distribute the amount remaining to its authorized public charter schools.
- If the Department of Education determines funds were used by the LEA for activities other than the authorizing obligations outlined in this Rule, the Department of Education shall withhold an amount equal to the misallocated funds in the following fiscal year from the LEA and shall distribute the misallocated funds directly to the public charter schools.

LEA Charter Authorization Fee Summaries

Tennessee State Board of Education Chapter 0520-14-01-.05 prescribes that LEAs may only apply fees toward the following categories of expenses directly impacting charter campuses.

YOUR FINAL 2019 L.E.A. FEE & EXPENDITURE SUMMARY SHOULD DEMONSTRATE THAT THE TOTAL AMOUNT OF AUTHORIZER FEES ASSESSED TO CHARTER SCHOOLS IN 2019 HAS BEEN SPENT IN ONE OF THE FOLLOWING 7 AREAS.

CATEGORY 5A EXPENDITURES	+	CATEGORY 5B EXPENDITURES	+	CATEGORY 5C EXPENDITURES	+	CATEGORY 5D EXPENDITURES	+	CATEGORY 5E EXPENDITURES	+	CATEGORY 5F EXPENDITURES	+	CATEGORY 5G EXPENDITURES	=	TOTAL 2019 FEES ASSESSED
\$		\$		\$		\$		\$		\$		\$		\$
CATEGORY 5A	<i>Charter school application approval process expenses</i>											\$		
CATEGORY 5B	<i>Interim review process expenses as required by T.C.A. § 49-13-121(d),</i>											\$		
CATEGORY 5C	<i>Charter school renewal process expenses as required by T.C.A. § 49-13-121</i>											\$		
CATEGORY 5D	<i>Monitoring and oversight activities</i>											\$		
CATEGORY 5E	<i>Personnel costs for LEA staff supporting charter schools</i>											\$		
CATEGORY 5F	<i>Annual reporting</i>											\$		
CATEGORY 5G	<i>Ongoing charter school support services</i>											\$		
<u>TOTAL AMOUNT OF 2019 AUTHORIZER FEES ASSESSED TO CHARTER SCHOOLS:</u>												\$		

LEA Charter Authorization Fee Summaries

Following review by the State Board of Education's Charter School Sub-Committee of all documentation provided by the four LEAs, the committee unanimously determined that additional information would be required in order to ensure full legal compliance with the policy.

- Questions specific to your LEA's submission will be sent to your respective offices from Judy Spencer next week.
- As the policy prescribes, specific detail will be required in relation to how personnel and resources have been allocated using charter fee funds.
 - LEAs should be prepared to account for the salaries, activities, and percentages of time allocated by personnel exclusive to charter schools.
 - LEAs should also be prepared to provide the following information in relation to personnel not exclusive to charter schools:
 - Specific Positions & Salaries
 - Percentage of Respective Time Allocated To Charter School Related Activities and/or Specific Charter Campus Needs
 - Nature of Specific Activities Performed on Behalf of Charter Campuses

Responses to Prior Queries

- Per [State Board Emergency Rule 0520-01-09-.24](#), IEP timeline extensions are not required for evaluations impacted by school closures.
 - Guidance on [Special Education](#) outlines the Calculation Business Rules for evaluation timeframes
 - LEAs can seek an additional 30-day extension through EasyIEP, but not until the government order is lifted
- Charter schools have the right to seek advice from their own attorneys rather than district counsel if they so choose.

Cadence of Future Communications

- Conference calls exclusively for LEA liaisons to charter school campuses will occur on a bi-weekly basis.
- Weekly email updates will be sent to all identified representatives.
- Charter school FAQ documents will be continuously updated and uploaded to the department's COVID-19 web page: <https://www.tn.gov/education/health-and-safety/update-on-coronavirus.html>
- Your respective directors of schools are also invited to participate in ongoing superintendent conference calls.
- LEA charter school representatives may direct specific questions to Judy Spencer at Judy.Spencer@tn.gov.

Questions

- What are the most pressing issues you are dealing with?
- How can the department be a resource for you?
- What other inquiries do you have?