



# Public Charter Schools Grant Program

---

## Budget Webinar August 15, 2014

### Charter Schools Division



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Welcome

## Charter School Budget Technical Assistance



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Purpose of the Webinar

- To provide guidance for charter school developers completing the 2014–15 Public Charter School Grant Program (PCSGP) application–Budget Forms
- To review the PCSGP Budget Forms and budget process for PCSGP



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Agenda

- Overview of the PCSGP
- Overview of Federal Guidance
- PCSGP Funding Process
- PCSGP Budget Review Process
- Overview of Allowable Expenses
- PCSGP Budget Form 5
- PCSGP Budget Form 6
- PCSGP Budget Reporting



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# What to Have in Front of You

- 2014–15 PCSGP RFA
- Form 5–Budget Summary (page 32)
- Form 6–Budget Narrative (page 33)
- Form 8–Object of Expenditures Codes (pages 36-37)



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# PCSGP Overview

- Charter School Program Purpose:
  - Increase national understanding of the charter school model
  - Expand the number of high-quality charter schools available to students across the nation
  - Provide financial assistance for the planning, program design, and initial implementation of charter schools
  - Evaluate the effects of charter schools, including their effects on students, student academic achievement, staff, and parents



Tom Torlakson  
State Superintendent  
of Public Instruction

# PCSGP Overview

## U.S. Department of Education (ED) PCSGP grant overview:

- Funded by the ED Charter Schools Program
- California awarded \$300 million over a 5-year period to sub-grantees
- Fiscal Year 2014–15 approved for \$63 million
- Sub-grantees can receive up to \$575,000



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# PCSGP Overview

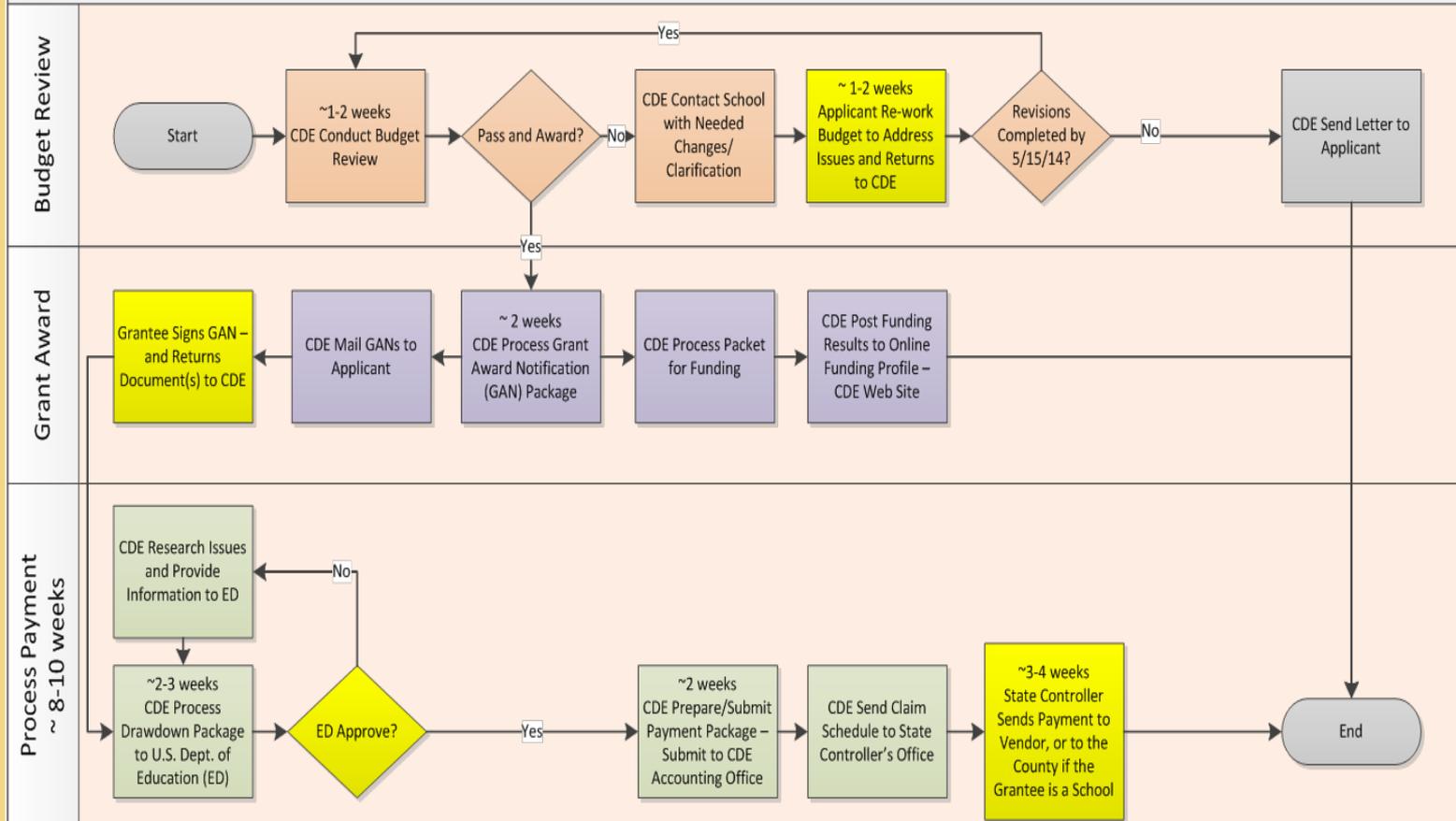
- All PCSGP sub-grant awards cannot go beyond California's grant period end date of July 31, 2015.
- The CDE will apply for a No Cost Extension (NCE) to ED which, if approved, will allow for a twelve (12) month extension on the Grant Award Notification (GAN) with an award ending date on or before July 31, 2016.
- The CDE will apply for NCEs in subsequent years for sub-grantees to receive their full grant period. The CDE anticipates that the ED will approve submitted NCEs; however, ED approval is discretionary. The anticipated submission of the first NCE is February 2015.



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# PCSGP Funding Process

Public Charter Schools Grant Program (PCSGP) Grant Workflow – After Peer Review









**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Grant Award Notification

## Sample Grant Award Notification (GAN)

California Department of Education  
Legislative Affairs Division  
AO-400 (REV. 09/2011)

### Grant Award Notification

<b>GRANTEE NAME AND ADDRESS</b> Charter School Academy ABC 1234 Main Street American City, CA 90000			<b>CDE GRANT NUMBER</b>			
			<b>FY</b>	<b>PCA</b>	<b>Vendor Number</b>	<b>Suffix</b>
			12	14941	Z000	00
<b>Attention</b> Bill Smith, Principal			<b>STANDARDIZED ACCOUNT CODE STRUCTURE</b>			<b>COUNTY</b>
<b>Program Office</b> Charter School Academy ABC			<b>Resource Code</b>	<b>Revenue Object Code</b>	36	
<b>Telephone</b> 916-322-6029			4610	8290	<b>INDEX</b>	
<b>Name of Grant Program</b> Public Charter Schools Grant Program						0120
<b>GRANT DETAILS</b>	<b>Original/Prior Amendments</b>	<b>Amendment Amount</b>	<b>Total</b>	<b>Amend. No.</b>	<b>Award Starting Date</b>	<b>Award Ending Date</b>
	\$575,000.00		\$575,000.00		08/01/2013	7/31/2015
<b>CFDA Number</b>	<b>Federal Grant Number</b>	<b>Federal Grant Name</b>			<b>Federal Agency</b>	
84.282A	U282A100013	Charter Schools Program			U.S. Dept. of Education	
<p>I am pleased to inform you that you have been funded for the Public Charter Schools Grant Program.</p> <p>Funds are scheduled to be issued in the following order: FY13-\$225,000.00, FY14-\$200,000.00 and FY15-\$150,000.00. For additional information regarding the grant award ending date, please refer to page 2 of the Grant Award Notification.</p> <p>This award is made contingent upon the availability of funds. If the Legislature takes action to reduce or defer the funding upon which this award is based, then this award will be amended accordingly.</p> <p>Please return the original, signed Grant Award Notification (AO-400) to: Cindy Chan, Education Fiscal Services Administrator Charter Schools Division California Department of Education 1430 N Street, Suite 5401 Sacramento, CA 95814-5901</p>						
<b>California Department of Education Contact</b> Cindy Chan				<b>Job Title</b> Education Fiscal Services Administrator		
<b>E-mail Address</b> <a href="mailto:cchan@cde.ca.gov">cchan@cde.ca.gov</a>				<b>Telephone</b> 916-327-1824		
<b>Signature of the State Superintendent of Public Instruction or Designee</b> ▶				<b>Date</b>		
<b>CERTIFICATION OF ACCEPTANCE OF GRANT REQUIREMENTS</b>						
<i>On behalf of the grantee named above, I accept this grant award. I have read the applicable certifications, assurances, terms, and conditions identified on the grant application (for grants with an application process) or in this document or both; and I agree to comply with all requirements as a condition of funding.</i>						
<b>Printed Name of Authorized Agent</b>				<b>Title</b>		
<b>E-mail Address</b>				<b>Telephone</b>		
<b>Signature</b> ▶				<b>Date</b>		



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Question Break

- We will take a short break so that you may type your questions into the Q&A panel.
- Please note that if your question is not responded to during this live webinar, it may appear in a Frequently Asked Questions (FAQ) on our web site shortly.



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Overview of Federal Guidance

**Federal Guidance on allowable costs for PCSGP may be found in the following resources:**

- Elementary and Secondary Education Act (ESEA) 5204(f)(3), (Outside Source): <http://www2.ed.gov/policy/elsec/leg/esea02/pg62.html#sec5204>
- U.S. Department of Education (ED) Charter Schools Program (CSP) Non-regulatory Guidance (Outside Source – DOC; 184 KB; 22pp.): <http://www2.ed.gov/programs/charter/nonregulatory-guidance.doc>
- Office of Management and Budget (OMB) Circular A-21, Cost Principles for Educational Institutions (Outside Source): [http://www.whitehouse.gov/omb/circulars\\_a021\\_2004/](http://www.whitehouse.gov/omb/circulars_a021_2004/)
- OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments (Outside Source): [http://www.whitehouse.gov/omb/circulars\\_a087\\_2004/](http://www.whitehouse.gov/omb/circulars_a087_2004/)
- OMB Circular A-122, Cost Principles for Non-Profit Organizations (Outside Source): [http://www.whitehouse.gov/omb/circulars\\_a122\\_2004/](http://www.whitehouse.gov/omb/circulars_a122_2004/)



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Supplement Versus Supplant

- **Supplement:** Resources or activities that will enhance the charter school and its programs when added to the charter school program.
- **Supplant:** Resources or activities that replace programs or activities that are considered on-going.



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Allowable Costs

- One-time start-up expenses
- Not for ongoing expenses
- Merit test:
  - Can you take it with you?
    - Yes—then may be an allowable expense
    - No—not an allowable expense
- Expenses must be
  - Allowable
  - Reasonable and Necessary
  - Aligned with approved application



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Allowable Costs

- Object Code 1000
  - Certificated Personnel Salaries
    - Administrators
    - Pupil Support
    - Teachers
- Salaries can only be paid during the planning year, or during non contracted time in the implementation years.
- Must be grant related activities, training or professional development.



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Allowable Costs

- Object Code 2000
  - Classified Personnel Salaries
    - Classified Instructional Salaries
    - Classified Support Salaries
    - Classified Supervisors and Administrators Salaries
    - Other Classified Salaries



Tom Torlakson  
State Superintendent  
of Public Instruction

# Allowable Costs

- Object Code 3000
  - Employee Benefits
    - Retirement: Certificated and Classified
    - Health and Welfare
    - Other employee benefits (outlined on Form 8)
- Only allowed during the planning year



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Allowable Costs

- Object Code 4000
  - Books and Supplies
    - Textbooks and core curricular
    - Books and other reference materials
    - Non-capitalized Equipment



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Allowable Costs

- Object Code 5000
  - Services and Other Operating Expenditures
    - Sub agreements for Services
    - Travel and Conference
    - Rent and Leases



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Allowable Costs

- Object Code 6000
  - Capital Outlay
    - Books and Media for New School Libraries
    - Equipment over \$5000



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Allowable Costs

- Object Code 7000
  - Direct and Indirect expenses are not allowed with PCSGP funds



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# PCSGP Form 8 Object Codes Reference

## PCSGP Form 8 Object of Expenditure Codes

Public Charter Schools Grant Program object of expenditure codes.

This list of expenditure codes is provided for reference to complete the Proposed Budget Summary form (PCSGP Form 5) and the Budget Narrative form (PCSGP Form 6). The applicant is encouraged to retain a copy of these specific assurances at the charter school site. School districts and county superintendents of schools are required to report expenditures in accordance with the object classification plan in the California School Accounting Manual. The use of these object codes will facilitate the preparation of budgets and the various financial reports requested by federal, state, county, and local agencies. The California School Accounting Manual is available from the CDE Publication Sales (call 1-800-995-4099), or online on the [CDE Definitions, Instructions, and Procedures Web page](#).

### 1000–1999 Certificated Personnel Salaries

1100 Certificated Teachers' Salaries  
1200 Certificated Pupil Support Salaries  
1300 Certificated Supervisors' and Administrators' Salaries  
1900 Other Certificated Salaries

### 2000–2999 Classified Personnel Salaries

2100 Classified Instructional Salaries  
2200 Classified Support Salaries  
2300 Classified Supervisors' and Administrators' Salaries  
2400 Clerical, Technical, and Office Staff Salaries  
2900 Other Classified Salaries

### 3000–3999 Employee Benefits

3101 State Teachers' Retirement System, certificated positions  
3102 State Teachers' Retirement System, classified positions  
3201 Public Employees' Retirement System, certificated positions  
3202 Public Employees' Retirement System, classified positions  
3301 OASDI/Medicare/Alternative, certificated positions  
3302 OASDI/Medicare/Alternative, classified positions  
3401 Health and Welfare Benefits, certificated positions  
3402 Health and Welfare Benefits, classified positions  
3501 State Unemployment Insurance, certificated positions  
3502 State Unemployment Insurance, classified positions  
3601 Workers' Compensation Insurance, certificated positions  
3602 Workers' Compensation Insurance, classified positions  
3701 OPEB, Allocated, certificated positions  
3702 OPEB, Allocated, classified positions  
3751 OPEB, Active Employees, certificated positions  
3752 OPEB, Active Employees, classified positions  
3801 PERS Reduction, certificated positions  
3802 PERS Reduction, classified positions  
3901 Other Benefits, certificated positions  
3902 Other Benefits, classified positions

### 4000–4999 Books and Supplies

4100 Approved Textbooks and Core Curricula Materials  
4200 Books and Other Reference Materials  
4300 Materials and Supplies  
4400 Non-capitalized Equipment  
4700 Food

### 5000–5999 Services and Other Operating Expenditures

5100 Sub-agreements for Services  
5200 Travel and Conferences  
5300 Dues and Memberships  
5400 Insurance  
5500 Operations and Housekeeping Services  
5600 Rentals, Leases, Repairs, and Non-capitalized Improvements  
5700–5799 Transfers of Direct Costs  
5710 Transfers of Direct Costs  
5750 Transfers of Direct Costs—Interfund  
5800 Professional/Consulting Services and Operating Expenditures  
5900 Communications

### 0–6999 Capital Outlay

0 Land  
0 Land Improvements  
0 Buildings and Improvements of Buildings  
0 Books and Media for New School Libraries or Major Expansion of School Libraries  
0 Equipment  
0 Equipment Replacement  
0 Depreciation Expense (for proprietary and fiduciary funds only)



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# PCSGP Budget Form 6

PCSGP Form 6 – Proposed Budget Narrative (Required in Application)  
[Charter School ABC]

\*\*\*\*SAMPLE\*\*\*\*

Budget Expenditure Detail (See instructions)	Required Element	Funds Budgeted (Identified per year)			Object Code
		FY Planning Year (If Applicable)	FY Implementation Year 1	FY Implementation Year 2	
Teacher Summer Prep: 5 teachers @ \$175/day x 10 days (8/1/2014 – 8/14/2014) to meet in grade level teams for curriculum and lesson plan alignment	EP	\$8,750	\$8,750	\$8,750	1100
Principal Salary: Pre-opening planning activities. Principal will begin six (6) months (monthly salary: \$8,500) prior to school opening to order equipment and materials to prepare campus for opening day. Activities include: xxxxxx	EP	\$51,000			1300
<b>Total for Object Code 1000</b>		<b>\$59,750</b>	<b>\$8,750</b>	<b>\$8,750</b>	<b>1000</b>
Office Manager Salary: Pre-opening planning activities. Begin six (6) months prior to opening (monthly salary: \$3,500) prior to school opening.	EP	\$21,000			2200
<b>Total for Object Code 2000</b>		<b>\$21,000</b>			<b>2000</b>
Employee Benefits: Certificated	EP	\$5,975	\$875	\$875	3101
Employee Benefits: Classified		\$2,100			3201
<b>Total for Object Code 3000</b>		<b>\$8,075</b>	<b>\$875</b>	<b>\$875</b>	<b>3000</b>
SmartBoards: 5 SmartBoards per year for school grade expansion. \$1,200 per board. Includes installation and training.	EP	\$6,000	\$6,000	\$6,000	4400
Apple iPads & carts: 60 iPads (\$459) & 2 iPad (\$2000) carts per year for school grade expansion for classroom use.	EP	\$27,500	\$27,500	\$27,500	4400
Apple desktop computer lab: 30 units @ \$1300 per unit.	EP	\$39,000			4400
<b>Total for Object Code 4000</b>		<b>\$72,500</b>	<b>\$33,500</b>	<b>\$33,500</b>	<b>4000</b>
Board Governance Training with ABC Consulting (5 sessions @ \$1000 per session)	CM		\$5,000		5100
Board Fiscal Management Training with ABC Consulting (2 sessions @ \$2500 per session)	CM		\$5,000		5100
Response to Intervention training with CURR Consulting for new certificated staff. (5 sessions @ \$1000 per session).	EP	\$5,000	\$5,000	\$5,000	5100
Rent for facility during Planning Year: 6 months @ \$5,000	CM	\$30,000			5600
<b>Total for Object Code 5000</b>		<b>\$35,000</b>	<b>\$15,000</b>	<b>\$5,000</b>	<b>5000</b>
		<b>\$169,825</b>	<b>\$58,125</b>	<b>\$48,125</b>	



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# PCSGP Budget Form 5

PCSGP Form 5 - Proposed Budget Summary (Required in Application)

[Charter School ABC]

<b>Charter School Name:</b> Charter School ABC	
<b>County District School (CDS) Code:</b> 999999999999	<b>Charter Number:</b> 9999
<b>County:</b> DEF County	
<b>Contact:</b> Principal Jones	<b>Telephone Number:</b> 999-999-9999
<b>E-Mail:</b> <a href="mailto:jones@ABCCS.com">jones@ABCCS.com</a>	<b>Fax Number:</b> 999-999-9999
<b>PCA:</b> SACS Resource: 4610 Revenue Object: 8290	

Object Code	Description of Line Item	PCSGP Funds Budgeted		
		FY	FY	FY
		Planning Year (If Applicable)	Implementation Year 1	Implementation Year 2
	Revolving Fund Series (Implementation Year 1 only)			
1000- 1999	Certificated Personnel Salaries	\$59,750	\$8,750	\$8,750
2000- 2999	Classified Personnel Salaries	\$21,000		
3000- 3999	Employee Benefits	\$8,075	\$875	\$875
4000- 4999	Books and Supplies	\$72,500	\$33,500	\$33,500
5000- 5999	Services and Other Operating Expenditures	\$35,000	\$15,000	\$5,000
6000- 6999	Capital Outlay			
7310 & 7350	Indirect Costs			
<b>Total Amount Budgeted</b>		\$169,825	\$58,125	\$48,125

\*\*\*\*SAMPLE\*\*\*\*



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# PCSGP Budget Form 5

- All grant awards are for a period of up to 36 months, contingent upon a No Cost Extension (NCE)
- The CDE will apply for an NCE to ED which, if approved, will allow for a twelve (12) month extension on the GAN with an award ending date on or before July 31, 2016.
- Budget Forms 5 and 6 must address the first two years of the grant, 2014–15 and 2015–16.



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Question Break

- We will take a short break so that you may type your questions into the Q&A panel.
- Please note that if your question is not responded to during this live webinar, it may appear in a Frequently Asked Questions (FAQ) on our Web site shortly.



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Budget Reporting

- Quarterly Expenditure Report
  - Required expense report by quarter
  - Quarterly/Annual Fiscal Report Form



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Budget Reporting

- Annual Progress Report
  - Annual Progress Report Questionnaire
  - Work Plan percent complete annual submission



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Questions





**Tom Torlakson**  
State Superintendent  
of Public Instruction

# RFA Technical Assistance Training Workshops

TA workshop agendas will include, but are not limited to:

Guidance and instructions for completing the seven required elements of the RFA.

Guidance and instructions on how to complete and submit budget forms 5 and 6.

Guidance and instructions on budget/expenditure reporting requirements.

Guidance and instructions on allowable costs.



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# **RFA Technical Assistance Training Workshops**

## **RIVERSIDE**

August 20, 2014, 8:30 a.m. – 12:30 p.m.

## **SACRAMENTO**

August 25, 2014, 8:30 a.m. – 12:30 p.m.

## **FRESNO**

August 27, 2014, 8:30 a.m. – 12:30 p.m.



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# RFA Technical Assistance Training Workshops

- Space is limited
- Registration forms can be obtained from the CDE via email by sending your request to:

[PCSGP-APPS@cde.ca.gov](mailto:PCSGP-APPS@cde.ca.gov)



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# References

**Federal Guidance on allowable costs for PCSGP may be found in the following resources:**

- Elementary and Secondary Education Act (ESEA) 5204(f)(3), (Outside Source):  
<http://www2.ed.gov/policy/elsec/leg/esea02/pg62.html#sec5204>
- U.S. Department of Education (ED) Charter Schools Program (CSP) Non-regulatory Guidance (Outside Source–DOC; 184 KB; 22pp.):  
<http://www2.ed.gov/programs/charter/nonregulatory-guidance.doc>
- Office of Management and Budget (OMB) Circular A-21, Cost Principles for Educational Institutions (Outside Source):  
[http://www.whitehouse.gov/omb/circulars\\_a021\\_2004/](http://www.whitehouse.gov/omb/circulars_a021_2004/)
- OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments (Outside Source):  
[http://www.whitehouse.gov/omb/circulars\\_a087\\_2004/](http://www.whitehouse.gov/omb/circulars_a087_2004/)
- OMB Circular A-122, Cost Principles for Non-Profit Organizations (Outside Source):  
[http://www.whitehouse.gov/omb/circulars\\_a122\\_2004/](http://www.whitehouse.gov/omb/circulars_a122_2004/)



**Tom Torlakson**  
State Superintendent  
of Public Instruction

# Need Additional Information?

Contact the  
Charter Schools Division  
by phone at 916-322-6029  
or by e-mail at

[PCSGP-APPS@cde.ca.gov](mailto:PCSGP-APPS@cde.ca.gov)