

State Facilities Incentive Grant

Facilities for the Future: Advancing Educational Options through Charter School Facilities

Project Narrative (CFDA Number 84.282 D)

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Ohio’s charter school sector plays a significant role in expanding educational options for families, particularly in underserved geographic areas. As of the 2023-24 school year, approximately 120,000 students—more than 7% of the state’s K-12 population—are enrolled in over 300 public charter schools across Ohio, with a concentration in Cleveland, Columbus, and Dayton. In the 2024-25 school year, nearly 30,000 students were enrolled in 90 of these public charter schools that were designated as “Quality Community Schools” and eligible for additional funding. Despite the sector’s growth and Ohio’s commitment to supporting charter schools through various funding streams, many charter schools face persistent facility challenges. Due to the lack of dedicated capital funding, schools are forced to divert instructional dollars to rent or building costs—an obstacle to expansion and long-term sustainability.

Ohio has a long-standing reputation as a state with strong legislative support for charter schools. The state’s legal framework for community schools, as charter schools are called in Ohio, consistently earns high marks from national organizations. The National Alliance for Public Charter Schools ranked Ohio 11th in its most recent *Measuring Up to the Model: A Ranking of State Charter School Laws* report, citing the state’s clear accountability requirements, authorizer oversight, and funding parity as strengths. Ohio provides base operational funding on par with traditional public schools, though charter schools lack access to the same facilities funding mechanisms as traditional public schools. Since passing its original charter school law in 1997, the state has worked to increase facilities support through mechanisms like the Community School Classroom Facilities Grant and per-pupil facilities funding.

Even with this funding gap, Ohio’s charter sector is demonstrating positive academic results, particularly among historically disadvantaged students. A 2023 *Fordham Institute* study found that students in Ohio charter schools made greater academic progress than their peers in

traditional public schools, especially in urban areas. The study noted that Black students in charter schools outperformed Black students in district schools in both reading and math growth metrics. These outcomes affirm the sector's potential for continued success and support broader state goals for improving educational excellence for all students.

Through *Facilities for the Future* SFIG project, the Ohio Department of Education and Workforce (DEW) seeks to (1) increase the number of seats available in high-performing charter schools in Ohio's areas of greatest need, (2) incentivize charter schools to provide career and technical education (CTE) programs, and (3) ensure adequate facility support for high-quality charter schools in the state. The state's strategic direction aligns with expanding access to high-quality charter options in this way. Ohio DEW emphasizes increasing the number of students attending high-performing charter schools in its Every Student Succeeds Act (ESSA) plan and strategic initiatives. Moreover, the state is supporting growth in CTE programming among charter schools. Several new startup and conversion charters are now offering CTE pathways, particularly in high-demand fields such as healthcare, advanced manufacturing, and information technology. Governor DeWine has recently focused on increasing the availability of CTE programming, mentioning the need in his 2023 State of the State address.

In 2015, Ohio was awarded a five-year, \$71 million Charter School Program (CSP) grant from the U.S. Department of Education to support the replication and expansion of high-quality charter schools. This grant allowed the state to strengthen its charter ecosystem, promote best practices, and build capacity among authorizers and operators. Ohio leveraged this federal investment to advance rigorous school performance expectations and to provide start-up funds to promising new school models. Ohio DEW submitted another CSP state entity project request in

the FY 2025 competition to continue to invest in its charter school sector, further demonstrating its commitment to providing these educational options to Ohio students.

Overall, Ohio’s combination of supportive legislation, strong academic outcomes, and clear alignment with workforce and state goals positions its charter sector for continued success. Addressing ongoing facility challenges remains critical to sustaining this progress and ensuring that more students have access to safe, modern learning environments. Investments in charter school infrastructure will be vital to scaling innovative and high-quality models and delivering on Ohio’s commitment to educational excellence.

Competitive Preference Priorities

CPP 1 — Capacity of Charters to Offer Choice in Communities with the Greatest Need

In the 2024-25 school year, Ohio served nearly 1,750,000 students across its 600+ traditional school districts and 325+ public charter schools (referred to as community schools in Ohio) across 88 counties. As of the 2024-25 school year, 323 “brick and mortar” charter schools served over 87,000 students in 36 counties and serve educationally disadvantaged students at disproportionately high rates. Over 80% of Ohio charter school students are economically disadvantaged, a percentage that significantly exceeds the statewide rate of 50.4%. Ohio charter schools also exceed statewide averages in terms of enrolling students with disabilities (17.9% compared to 16.4%) and English Learners (6.0% compared to 4.3%).

Ohio’s project will intentionally provide preferential funding through a per-pupil aid formula with a multiplier for target school districts and high-impact projects. Ohio charter schools have significant capacity to (a) **target geographic areas where a large proportion or number of public schools have been identified for comprehensive support and improvement**

or targeted support and improvement under the ESEA. Over 80% of Ohio charter schools are located in eight counties (Cuyahoga, Franklin, Hamilton, Lucas, Mahoning, Montgomery, Stark, and Summit). At the same time, nearly 75% of all schools in the state identified for comprehensive support and improvement (CSI), and over 75% of schools identified for either targeted support and improvement (TSI) or additional targeted support and improvement (ATSI) are located in these same eight counties.

As described on pages 12 and 13 in Responses to Selection Criteria (B)(3), Ohio charter schools will only be eligible to receive SFIG subgrants if they have strong academic performance, with the school's most recent report card showing ratings meeting achievement *and* value-added progress criteria. Based on the most recently available school report card data, 75% of the 83 "brick and mortar" high-quality charter schools in the 2023-24 school year are located in these eight counties. As such, at least three quarters, if not all, SFIG subgrants will target these same geographic areas.

The second criteria for identifying target school districts will focus on ensuring that the SFIG funds (b) **target geographic areas in which a large proportion of students perform poorly on State academic assessments.** Ohio has 75 school districts where more than 50% of students perform at the "limited" or "basic" proficiency levels and are therefore considered not proficient. Each school year, Ohio assigns a performance index of 1, 2, 3, 4, or 5 stars to all school districts and charter schools based on student performance on the Ohio State Test (OST). The Performance Index measure uses the performance level results for students in third grade through high school on an OST and accounts for the level of achievement of every student, not just whether they are proficient. Each test a student takes is assigned a performance level based on the test score, with higher test scores resulting in higher performance levels.

Ohio will target geographic areas through SFIG funding by preferencing charter school projects located in a school district with a performance index of 1 or 2 stars, ensuring that funds are targeted to those areas where a large proportion of students perform poorly on academic assessments. Currently, 82% of all Ohio charter schools are located in districts with a performance index of 1 or 2 stars and 88% (78 of 89) of high-performing charter schools (as defined by Ohio Revised Code § 3313.413) are located in districts with a performance index of 1 or 2 stars.

Ohio charter schools also disproportionately serve **(c) target geographic areas with communities with large proportions of low-income students**. As mentioned previously, over 80% of Ohio charter school students are economically disadvantaged, a percentage that significantly exceeds the statewide rate of 50.4%. In response to a need to identify school districts, Ohio developed a classification system for its school districts, which is regularly updated with census data. The system classifies each school district in one of the following eight typology categories: (1) Rural - High Student Poverty, (2) Rural - Average Student Poverty, (3) - Small Town - Low Student Poverty, (4) Small Town - High Student Poverty, (5) Suburban - Low Student Poverty, (6) Suburban - Very Low Student Poverty, (7) Urban - High Student Poverty, and (8) Urban - Very High Student Poverty. As of the 2023-24 school year, nearly every high-performing “brick and mortar” charter school was located in a district with a high poverty typology classification.

As detailed on pages 14 and 15 in Responses to Selection Criteria section (B)(4), Ohio will give subgrant preference to eligible charter schools with strong academic performance located in districts facing the most significant need in terms of student income and academic performance. Target districts will be designated based on those which have at least one school

qualifying as CSI, TSI, or ATSI or which have a performance index of only 1 or 2 stars on Ohio’s accountability system, a rural district (typologies 1 and 2), or a district with high student poverty (typologies 1, 4, 7, and 8). By designating target districts, Ohio’s project will ensure that SFIG funding is deployed to the highest quality charter schools to expand public school choice in those communities with the greatest need to clearly satisfy this priority.

CPP 2 — Applicants that Have Not Previously Received a SFIG Grant

The Ohio Department of Education and Workforce has never received a grant under the SFIG program.

Selection Criteria A. Need for Facility Funding

A.1. The need for per-pupil charter school facility funding in the State.

Ohio passed legislation authorizing charter schools in 1997. The state’s first 15 charter schools opened in 1998 and enrolled just over 2,000 students. Since then, Ohio’s charter school sector has expanded to include 323 “brick and mortar” charter schools serving over 87,000 students across 36 counties (approximately 5% of Ohio’s K-12 student population).

Charter schools in Ohio are ineligible for most state facilities programs (e.g., Classroom Facilities Assistance Program, Expedited Local Partnership Program, Exceptional Needs Program). Ohio charter schools also lack access to low-cost financing options such as bond markets or credit enhancements, and they cannot levy taxes. A study by the Fordham Institute shows that historically, Ohio charter schools receive 70 cents on the dollar compared to

traditional public schools¹. As is, charter schools are forced to use dollars that would be better spent supporting student learning for expenses related to facilities.

However, in recent years, Ohio has provided more than one mechanism to assist in meeting the facilities needs of charter school students, and the state has made significant progress. While a significant gap in facilities funding remains, these mechanisms reflect Ohio policymakers' dedication to charter schools and Ohio's ability to provide resources to satisfy the matching requirement in this grant competition.

Ohio's public school funding formula currently provides a \$1,000 per-pupil facilities subsidy for each student attending a "brick-and-mortar" charter school. This amount represents a \$750-per-pupil increase since FY 2019, equating to more than \$80 million allocated annually to charter school facilities. In its most recent legislative session, Ohio passed a new biennial budget which increases the overall appropriation to \$90,155,000 to maintain this subsidy of \$1,000 per-pupil each year in FY 2026 and FY 2027 to support charter school facilities, despite growing charter enrollment.

Additionally, using previous state capital appropriations, the Ohio Facilities Construction Commission (OFCC) completed three rounds of grant awards under the Community School Classroom Facilities Grant. This competitive opportunity was intentionally designed to expand seat capacity, serve unmet student needs, and foster innovative, replicable program models and allowed charter schools meeting a legislative definition of high-performing charter schools (see Ohio Revised Code (ORC) § 3313.413) to apply for state funding to pay for facility purchase, construction, or major renovation. The program has awarded \$21 million in funding to 12 charter

¹<https://fordhaminstitute.org/ohio/research/shortchanging-ohios-charter-students-analysis-charter-funding-fiscal-years-2015-17-0>

schools since its creation in 2015. Prior to the creation of this grant program, most of Ohio’s charter schools paid rent or leased facilities (often at above-market rates), thereby diverting funds from classrooms. By investing in facility expansion, renovation, and construction, the state aimed to reduce financial strain, promote growth, and help these high-impact schools serve more students, especially in under-resourced areas.

Finally, Ohio law requires public school districts to offer any unused school facility to the governing authority of a charter school for its appraised fair market value before it can be sold to other entities. State law defines a facility as “unused” if it (a) has not been used for school operations (i.e., either instructional or administrative) for one year, or (b) is an instructional-use facility in which less than 60% was used for “direct academic instruction” during the previous year. High-performing charter schools (as defined by ORC § 3313.413, schools that earned a higher performance index score than the school district in which the school is located on the two most recent report cards issued under section 3302.03 of the Revised Code and earned a performance rating of four stars or higher for progress on the most recent report card issued under section 3302.03 of the Revised Code or is a school described under division (B)(1) of section 3314.35 of the Revised Code and did not receive a rating for progress on the most recent report card) are afforded priority in the sale or lease of any property by a school district.

In 2024, the Foundation for Excellence in Education (ExcelinEd) created the [Charter Facility Index](#)² which found that Ohio was meeting about 52% of the facility needs for charter schools (compared to 18% in 2021). This substantial positive change can be attributed to the commitment of the state’s policy advocates and lawmakers to ensuring more Ohio students have access to high-quality schools that meet their needs.

²https://excelined.org/wp-content/uploads/2024/03/Building_For_Success_Ohio_2024Update_Feb28.pdf

That said, there is still opportunity for improvement when it comes to providing the resources necessary to support the expansion of quality public school options statewide. According to ExcelinEd, Ohio's 2024 facility gap equates to approximately \$971 per-pupil (over \$82 million). That means, unlike leaders of traditional public schools, charter school leaders are forced to forgo other important investments. As ExcelinEd noted, with those dollars, an average-sized charter school could, for example, pay for an additional five teachers or give its current classroom teachers a 25% salary increase.

A.2. The extent to which the proposal meets the need to fund charter school facilities on a per-pupil basis.

As described on page 8 in Selection Criteria (A)(1), the Ohio State Budget recently appropriated up to \$90,155,000 in FY 2026 and \$90,155,000 in FY 2027 for Community School Facilities, which provides charter schools \$1,000 per-pupil each year for facilities. The SFIG funds will allow DEW to establish an enhancement to this per-pupil funding by developing a similar per-pupil mechanism for charter schools that meet the eligibility criteria. Charter schools that are located in target school districts (underperforming districts, rural districts, or high-poverty districts) or that propose a high-impact project will receive funding preference, at an expected 1.5x rate of eligible charters that are not located in a high-need district or are not proposing a high-impact project. If an eligible charter school in a high-need district proposes a high-impact project, that project will be funded at an expected 2x rate of eligible charters that are not located in a high-need district or are not proposing a high-impact project. At this rate, if awarded its full budget request of \$47,500,000 in subgrants, Ohio anticipates being able to provide between \$500 to \$1,000 per-pupil in federal funding and therefore close the 50% gap in funding vs need outlined in section (a)(1).

Selection Criteria B. Quality of Plan

B.1. The likelihood that the proposed grant project will result in the State either retaining a new per-pupil facilities aid program or continuing to enhance such a program without the total amount of assistance (State and Federal) declining over a five-year period.

The SFIG opportunity would enhance Ohio's current support for charter school facilities. Ohio has directly invested in charter school facilities in a number of ways, including the Ohio Community School Classroom Facilities grant program administered by OFCC, and through direct per-pupil aid which has increased over time from \$250 per-pupil to \$1,000 per-pupil. In the most recent biennial legislative budget session, Ohio increased its overall appropriation for facility support to continue providing \$1,000 per-pupil in FY 2026 and in FY 2027 as charter enrollment grows. As demonstrated by this increase, Ohio is set to continue supporting a large percentage of the need for charter school facilities funding. The SFIG funding would ensure that Ohio is able to augment its base support for high-quality charter schools, incentivize an expansion of those schools, and provide additional opportunity to ensure that the charter school sector is providing CTE opportunities to students most in need. Furthermore, the state facilities per-pupil investment ensures compliance with section 4304(k)(2)(C), requiring a state share of the cost of the program. The total cost of the project would be $\$90,155,000 \times 5 \text{ years} = \$450,775,000$ of state funds + \$49,265,556 of federal funds (\$500,040,556 overall).

B.2. The flexibility charter schools have in their use of facility funds for the various authorized purposes.

Ohio's charter school law has consistently ranked as one of the top policy environments for charter schools. In the most recent ranking of statutes against the National Alliance for Public Charter Schools' model law, Ohio has improved its flexibility and autonomy for charter schools

and has risen to number 12 in the nation. Under ORC § 3314.04, charter schools are automatically exempt from many state laws and regulations, providing maximum flexibility to charter schools in finances and other areas. ORC § 3314.018 also provides for creative flexibilities such as pooling agreements between community schools, allowing Ohio charter schools more flexibility to find economies of scale and purchasing power that offers the ability to maximize their use of all funding sources to meet facility needs. As described in section (B)(3), charter schools will be invited to complete minimal applications to ensure only allowable facilities activities are approved with SFIG funding, and that all federal fiscal rules required by EDGAR are followed. Allowable subgrantee activities will include: (1) Rent; (2) Purchase of a building or land; (3) Construction; (4) Renovation of an existing school facility; (5) Leasehold improvements; or (6) Debt service on a school facility. Charter schools may not use these grant funds for purchasing land when they have no immediate plans to construct a building on that land. Administrative expenses are capped at 5% of the award.

B.3. The quality of the plan for identifying charter schools and determining their eligibility to receive funds.

DEW will identify charter schools to receive funds by advertising eligibility criteria and the opportunity to complete a minimal application process each year that funds are available. Eligibility criteria will prioritize high-quality charter schools, and only certain types of charter schools will be eligible to apply. All site-based or blended learning charter schools will be considered eligible for the grant if the school's most recent report card shows ratings meeting achievement *and* value-added progress criteria. Eligible schools must meet one of the following criteria:

1. A Value-Added Progress rating of four or five stars and either (i) a Performance Index rating of three, four, or five stars, or (ii) an increase in Performance Index rating of five points or more over the three most recent school years; OR
2. A Value-Added Progress rating of three, four, or five stars and a Performance Index rating of four or five stars, OR
3. If the school did not receive a Value-Added Progress rating, the school received a Four-Year Graduation Rate rating of four or five stars, and (i) a Performance Index rating of three, four, or five stars, or (ii) an increase in Performance Index rating of five points or more over the three most recent school years; OR
4. If the school received neither a Value-Added Progress rating nor a Four-Year Graduation Rate rating, an Early Literacy rating of four or five stars.
5. A charter school with a dropout recovery designation received an overall rating of Exceeds Standards and a rating of Exceeds Standards for the Assessment Passage Rate on its most recent Dropout Prevention and Recovery Community School Report Card.

Even if some charter schools meet these academic performance criteria, several charter schools will be ineligible due to a lack of facility need. Ohio currently has several internet-based charter schools (called “E-schools”), which will not be eligible to apply for this funding. Additionally, charter schools with no accountability history will be considered ineligible.

DEW staff will conduct an initial review of submitted applications to ensure eligibility criteria are met, and then a team of peer reviewers will review each application to determine the quality of plan, whether the federal funding will support the project’s intended outcomes, and allowability of the included expenditures. Each application will receive a minimum of two reviews, with a third reviewer being deployed as necessary to resolve discrepancies or

disagreements in reviews. All peer reviewers will have experience in charter school operations or facilities and financing. Each application will receive at least two peer reviews, and DEW will establish a reviewer training process to provide inter-rater reliability across application criteria.

B.4. The per-pupil facilities aid formula's ability to target resources to charter schools with the greatest need and the highest proportions of students in poverty.

Over 80% of Ohio charter school students are economically disadvantaged, a percentage that significantly exceeds the statewide rate of 50.4%. Ohio charter schools also exceed statewide averages in terms of enrolling students with disabilities (17.9% compared to 16.4%) and English Learners (6.0% compared to 4.3%). At the same time, based on the most recently available school report card data, of the 83 charter schools identified as high-performing in alignment with state law, 75% of the high-performing charter schools are located in counties where nearly 75% of all schools identified for CSI, and over 75% of schools identified for either TSI or ATSI.

The objectives of Ohio's SFIG project are to: (a) increase the number of seats available in high-quality charter schools in Ohio's areas of greatest need through facility renovation or expansion, (b) incentivize charter schools to provide CTE by providing resources for facility expansion or design, and (c) ensure adequate facility support for high-quality charter schools created or expanded through Ohio's potential grant under the Charter School Program State Entity competition. Aligned to these objectives, Ohio's project will distribute subgrants to charter schools proposing facilities projects that serve students in a target school district or a high-impact project.

Target school districts will be identified as a school district that meets one of the following criteria: an underperforming school district with a performance index score of 1 or 2

stars, a school district with a rural typology, or a school district with a typology reflecting high student poverty. As of the 2023-24 school year, 82% of charter schools are located in a target school district meeting one of these three criteria and 81 of 83 high-performing “brick and mortar” schools were located in a target district. Ohio’s SFIG project will provide preference for charter schools applying in these districts by including a multiplier of 1.5 for these applications.

High-impact projects—those that expand seats by 20% or more, demonstrate the ability to reduce ongoing annual facility costs of the charter school, or propose a CTE focused project will receive an additional weight resulting in a high-impact project in a target district receiving 2x the per-pupil aid. Should applications exceed available funds, Ohio will fund high-impact projects in target districts first, and then provide preference to projects in target districts before funding high-impact projects that are not located in target districts.

B.5. For projects that plan to reserve funds for evaluation, the quality of the applicant's plan to use grant funds for this purpose.

The Ohio DEW *Facilities for the Future* project includes identifying and partnering with policy and research experts in order to evaluate the effects of providing additional facilities funding to its charter school sector, specifically looking at how resource allocation changes and affects academic performance. DEW has projected to begin this work with an external evaluator in Year 4 of the project after the majority of subgrants have been made, and expects that the evaluation will continue into Year 5 in order to capture the largest set of data. State regulations require DEW to solicit bids to complete this research through a Request for Proposals, which will include criteria to ensure the evaluator has charter school facility experience and the policy knowledge required to complete such analysis.

B.6. For projects that plan to reserve funds for technical assistance, dissemination, or personnel, the quality of the applicant's plan to use grant funds for these purposes.

Ohio's project budget does not reserve any funds for technical assistance or dissemination, but does include personnel to administer the grant. Ohio's SFIG grant will be administered by the Office of Community Schools, which is ultimately overseen by Colleen Grady, the Chief of DEW's Section of Educational Options & Improvement, who will serve as the Project Director.

Lori McKown Wood, the Administrator of DEW's Office of Community Schools, has more than 30 years of program administration experience. Within her current role, Lori is responsible for conducting trainings, developing data-driven improvement initiatives, and supervising staff to make sure that charter schools and authorizers are operating within a healthy ecosystem across the state. Lori was previously responsible for licensure compliance and improvement planning as a Program Specialist within DEW's Office of School Sponsorship.

OFCC strives to be the premier resource for public facilities construction, and collaborates with partners in the planning, design, and construction of public facilities through quality service, expertise and knowledge sharing. OFCC realizes this mission through various programs that provide technical assistance and training at no cost to schools. OFCC will provide such technical assistance to DEW and SFIG subgrantees at no cost to the subgrantees or project and will provide a letter of support under a separate cover.

Selection Criteria C. Grant Project Team

C.1. The qualifications, including relevant training and experience, of the project manager and other members of the grant project team, including employees not paid with grant funds, consultants, and subcontractors.

Colleen Grady, the Chief of DEW's Office of Educational Options & Improvement, will serve as the *Project Director (10% FTE, Y1 Base Salary \$175,000)*. In her role, Colleen oversees Community Schools and School Sponsorship, along with Nonpublic Educational Options, Online Schools, and School and District Improvement. As the Project Director, Colleen will be responsible for collaborating with the DEW to finalize the project goals and budget, leading monthly SFIG Project Team and Steering Committee meetings, along with recruiting and hiring the SFIG Grant Administrator and Program Administrator. Additionally, Colleen will support the subgrant application process by developing a pool of peer reviewers and support the success of subgrantees by working extensively with OFCC to ensure that the technical support provided is targeted and effective. Colleen's resume is included within the "Other Attachments" section of our [Grants.gov](https://www.grants.gov) submission.

SFIG Grant Administrator (100% FTE, Y1 Base Salary \$115,000). The SFIG Grant Administrator, who will be hired upon Ohio DEW receiving a grant award notification, will be an expert project manager with experience managing grant processes. As a new FTE who will devote 100% of their time to SFIG-related activities, the Grant Administrator will be principally responsible for ensuring that all aspects of the subgrant process are sound. These responsibilities include, but are not limited to, successfully publishing and publicizing the subgrant applications platform, supporting interested parties with the application process, heading the subgrant review process, and establishing systems for budgeting, reporting, and compliance monitoring. A job

description for this position is included within the “Other Attachments” section of our [Grants.gov](#) submission.

SFIG Program Administrator (75% FTE, Y1 Base Salary \$90,000). The SFIG Program Administrator, who will be hired upon Ohio DEW receiving a grant award notification, will be a skilled communicator with a deep understanding of payment systems, contracts, and grants. The Program Administrator will be principally responsible for assisting in coordinating schedules, planning and executing stakeholder engagement, coordinating the planning and development of requests for proposals for subgrants, serving as a point of contact for evaluation vendors, coordinating monitoring and site visit scheduling, and supporting the SFIG grant administrator. A job description for this position is included as within the “Other Attachments” section of our [Grants.gov](#) submission.

As described in subsection (B)(6), the OFCC will provide technical assistance to charter school subgrantees. Established nearly 15 years ago through the merger of the Ohio School Facilities Commission and the former Office of State Architect, OFCC has decades of experience in the planning, design, and construction of public facilities.

C.2. The adequacy and appropriateness of the applicant's staffing plan for the grant project.

Through SFIG funds, DEW will expand the capacity of its Office of Community Schools to administer this grant, providing adequate oversight and monitoring. By hiring strong candidates with experience aligned to the provided job descriptions, the project team will have appropriate expertise to administer the grant. Additionally, DEW’s Office of Community Schools maintains regular communications with Ohio’s entire charter school community including schools, authorizers, management organizations, developers, and advocates, allowing it to

effectively inform all interested parties and potential applicants of the availability of SFIG funding. The additional capacity provided by the SFIG grant will result in a team with deep experience in school choice and charter schools, grant administration and processes, payment systems, contracts, and grants, as outlined in the following section.

Selection Criteria D. Budget

D.1. The extent to which the requested grant amount and the project costs are reasonable in relation to the objectives, design, and potential significance of the proposed grant project.

The total request is \$49,265,556 over 5 years, whereas state funding during that same period will be a minimum of \$450,775,000. This is a ratio of nearly 11:1 state funding compared to federal funding. Over 95% of the total project cost will provide per-pupil facility funding to eligible high-quality charter schools, serving an estimated minimum of 90 charter schools—majority of which will be located in target geographic areas outlined in Competitive Preference Priority 1 (see page 4). The total per-pupil rate with the SFIG funding and the state share for eligible schools at \$1,500-\$2,000 (\$500-\$1,000 per-pupil in SFIG + \$1,000 per-pupil in state share) is reasonable considering the average per-pupil rate of \$3,393 that traditional school districts spend on facilities³.

The design of the project is based upon adequate personnel to implement and monitor the grant and conduct the evaluation. Projected administrative costs at 3.58% over the life of the grant will not exceed the 5% administrative cap. These costs will fund a total of 1.85 FTEs, including a .1 FTE of the Project Director to manage the project, a 1.0 FTE of the SFIG Grant

³ https://excelined.org/wp-content/uploads/2024/03/Charter_Facility_Index_Ohio_ToolUpdateFeb28.xlsx

Administrator to lead the subgrant application and review process, along with systems for compliance and monitoring, and a .75 FTE of the SFIG Program Administrator to support coordination and execution for the Grant Administrator.

The evaluation funds will be strategically used to capture the significance of the project through ensuring expert analysis of the outcomes, providing highly credible evidence of the success of the grant. This success will be used to encourage the Ohio State Legislature to increase the state's existing per-pupil facilities funding. These activities will all occur within the 3.58% administrative funds included in the life of the grant, well under the 5% administrative cap.

D.2. The extent to which the costs are reasonable in relation to the number of students served and to the anticipated results and benefits.

Over 35,000 students are currently enrolled in the expected minimum 90 charter schools that met eligibility criteria at the publication of the most recent school report cards. This number is likely to grow through increasing enrollment, particularly if Ohio's CSP State Entity grant that was recently submitted is approved.

Ohio DEW anticipates that with more facilities funding, charter schools will be able to invest more of their existing resources into increased instructional efforts or to start new programs with CTE results. The evaluation proposed through this project will analyze whether performance of the schools that receive SFIG funds improved overall compared to the control group created by schools that were not eligible, and will analyze the relationship of these grant funds to the overall sector increase in program offerings. The evaluation will also look at any increase in offerings in rural areas through this project.

D.3. The extent to which the non-Federal share exceeds the minimum percentages (which are based on the percentages under section 4304(k)(2)(C) of the ESEA), particularly in the initial years of the program.

The non-federal share far exceeds the minimum percentages, providing at least 85% of the cost of the full program in every year of the program. The maximum federal burden of the program is less than 15%, at 14.88%, in year 1 and decreases each year to 5.27% in year 5. Table 3 in Other Attachments, and shown below, demonstrates this breakdown of the state and federal share in the *Facilities for the Future* request.

Categories	Project Year 1	Project Year 2	Project Year 3	Project Year 4	Project Year 5
A. Grand total, from Table 2- Budget Form	\$14,831,851	\$12,344,830	\$9,847,953	\$7,373,737	\$4,867,185
B. State per-pupil funding for charter school facilities, from Table 1 -- Charter School Aid Paid by State	\$84,812,000	\$85,212,000	\$85,812,000	\$86,637,000	\$87,512,000
C. Total	\$99,643,851	\$97,556,830	\$95,659,953	\$94,010,737	\$92,379,185
D. Federal grant request (Lin A., Table 3) as a percentage of the cost of per-pupil facilities aid (Line c., Table 3)	14.88%	12.65%	10.29%	7.84%	5.27%

The *Facilities for the Future* SFIG funding will augment Ohio’s recently appropriated \$90,155,000 million in per-pupil facilities funding to ensure that high-quality charter schools have the available funds to offer a high-quality learning environment to their students. Ohio has demonstrated a long commitment to growing this funding—which began at \$250 per-pupil when Ohio originally created charter schools in 1997 and has grown to \$1,000 per-pupil in recent years. In its most recent legislative session, Ohio increased the total appropriation for this per-pupil facilities aid to accommodate increasing charter school enrollment. This annual appropriation of \$90,155,000, which will be complemented by the \$50 million SFIG grant, is

used as the state to federal comparison to ensure the ratios required by 4304(k)(2)(c) are sufficient.

Selection Criteria E. State Experience

E.1. The experience of the State in addressing the facility needs of charter schools through various means, including providing per-pupil aid and access to State loan or bonding pools.

Ohio DEW has nearly 30 years of experience administering per-pupil facilities aid to charter schools, since their inception in 1997. As mentioned in Selection Criteria (A)(1) on page 8, Ohio's state legislature appropriates funding to provide a \$1,000 per-pupil facilities subsidy for each student attending a "brick-and-mortar" charter school. This amount represents a \$750-per-pupil increase since FY 2019, equating to more than \$88 million allocated annually to charter school facilities. Ohio just passed a new biennial budget which includes \$1,000 per-pupil each year in FY 2026 and FY 2027 for charter school facilities and increases the overall appropriation to \$90,155,000. The Ohio DEW has administered this program since its creation and will continue to administer these funds.

Additionally, the State of Ohio has provided multiple mechanisms to assist in meeting the facilities needs of charter school students. In 2012, the legislature established the OFCC through the merger of the Ohio School Facilities Commission and the former Office of State Architect. The OFCC has a series of duties, including managing Ohio's school facility programs which provide support for the construction and renovation of public K-12 schools.

Using state appropriations, the OFCC has completed three rounds of grant awards under the Community School Classroom Facilities Grant. This competitive opportunity—intentionally designed to expand seat capacity, serve unmet student needs, and foster innovative, replicable

program models—allows charter schools meeting Ohio’s definition of high-performing to apply for state funding to pay for facility purchase, construction, or major renovation. The program has awarded \$21 million in funding to 12 charter schools since its creation in 2015.

Ohio law also requires public school districts to offer any unused school facility to the governing authority of a charter school for its appraised fair market value before it can be sold to other entities. State law defines a facility as “unused” if it (a) has not been used for school operations (i.e., either instructional or administrative) for one year, or (b) is an instructional-use facility in which less than 60% was used for “direct academic instruction” during the previous year. High-performing charter schools (i.e., those that earned at least three stars on the state’s performance index and at least four stars on the state’s value-added growth measure on the most recent Report Card) are afforded priority in the sale or lease of any property by a school district.

Finally, the Community School Classroom Facilities Grant program, created in 2015, supported high-performing charter schools with construction or facility related needs. Proposed projects were required to increase seats, serve unmet needs, and show innovation in design. While the Community School Classroom Facilities Grant program has not continued, the state has previously awarded three rounds of grants under this program, totaling \$31,690,510.