

June \_\_\_\_\_, 2007

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Dear Colleague:

I am pleased to write to you today to announce new guidance for exempting students from a charter school's lottery and providing start-up funds for multiple charter schools established under a single charter. The new Charter Schools Program (CSP) non-regulatory guidance responds to questions raised by States administering CSP grants regarding these issues. This guidance updates the previous CSP non-regulatory guidance issued in July 2004.

The new guidance amends the July 2004 guidance as follows:

- The July 2004 guidance states that a charter school may exempt from the lottery only those students who are deemed to have been admitted to the charter school already and, therefore, do not need to reapply. In addition to students enrolled in a public school at the time it is converted into a charter school, siblings of students admitted to or attending a charter school, and children of a charter school's founders; the new nonregulatory guidance exempts the children of a charter school's teachers from the lottery requirement as long as the total number of students allowed under the new exemption and the exemption for the children of the founders of the charter school constitutes only a small percentage of the school's total enrollment.
- The July 2004 guidance does not specifically address the issue of whether an SEA may award CSP start-up subgrants to multiple charter schools established under a single charter. Under the new guidance, an SEA may not award CSP start-up subgrants to multiple charter schools established under a single charter where the charter schools are merely extensions of each other (*i.e.*, one charter school with multiple campuses). This is true for charter schools established under separate charters if, in fact, they are operated as one charter school. On the other hand, the new guidance states that an SEA may award CSP start-up subgrants to multiple charter schools established under a single charter where the charter schools meet the CSP definition of "charter school" and truly are separate and distinct from each other.

This updated guidance will be incorporated into the CSP, Title V, Part B, Non-Regulatory Guidance found at <http://www.ed.gov/policy/elsec/guid/cspguidance03.doc>. The CSP office will be coordinating a technical assistance phone conference for State Education Agencies to clarify further the new non-regulatory guidance and answer questions at a later date.

7/20/2007

In the meantime, if you or your staff has any questions, you may contact Dean Kern of the Department's Charter Schools Program by telephone at 202 -260-1882, or by e-mail at [dean.kern@ed.gov](mailto:dean.kern@ed.gov).

We look forward to working with you in expanding high -quality charter schools and increasing the national understanding of the charter school model.

Sincerely,

Morgan S. Brown  
Assistant Deputy Secretary  
For Innovation and Improvement

7/20/2007