



NATIONAL ALLIANCE FOR
**PUBLIC
CHARTER
SCHOOLS**

State Charter Schools Facilities Incentive Grant

What is the SFIG?

The State Charter School Facilities Incentive Grant (SFIG) is a competitive grant program within the Charter Schools Program (CSP) that provides funds to help states adopt or enhance per-pupil facilities aid for charter schools. These federal funds match nonfederal funds to provide charter schools with facilities support. Grants are made for a maximum of five years, with the federal share of funds decreasing each year (90% in year one, down to 20% in year five). In previous years, the appropriation for SFIG was capped at \$10 million and new awards were only made every five years. The cap on SFIG was lifted in the federal FY 2024 budget and for the first time since 2009 two states received a grant simultaneously: California and Colorado. Colorado is also a first-time grantee.

Eligibility Requirements:

- **Eligible applicants:** States. To be eligible, states must establish or enhance, and administer, a per-pupil facilities aid program that:
 - Is specified in state law; and
 - Provides annual financing on a per-pupil basis.
- **Cost sharing or matching:** States must provide a state share of the total cost of the project, with the minimum state share increasing from 10% in the first year to 80% in the fifth year. States may partner with other organizations to provide up to 50% of the state share.
- **Supplement not supplant:** Program funds must be used to supplement and not supplant existing state and local funds for per-pupil facilities aid programs. Federal funds provided under SFIG as well as the matching funds provided by the grantee must be in addition to the funds that would otherwise be used to provide the per-pupil facilities aid program. So, if a state already has a per-pupil facilities funding allocation, it must be increased to qualify for a new SFIG grant. The Department generally considers that State and local funds would be available for this purpose at least in the amount that was available in the preceding year and that the Federal funds and matching funds under this program would supplement that amount.

- **Federal definition of a charter school:** Charter schools that benefit from the per-pupil facilities aid program must meet the federal definition of a charter school (see Sec. 4310 Definitions on page 21: <https://www.ed.gov/sites/ed/files/2019/11/Statute-for-website.pdf>) throughout the grant period.

What types of state funding have qualified?

Prior to 2024, just five states had benefited from the program: California, Minnesota, Utah, D.C., and Indiana. Between 2009 and 2024, only California and Indiana received funds with the majority of funds going to California and competitions were only run every five years. In 2024, the cap on the appropriation for the program was lifted and two states were funded simultaneously for the first time since 2009.

It is important to note that the specific mechanics of the state per-pupil funding program do not determine eligibility. To be eligible, a state must simply adopt or enhance per-pupil facilities aid and show increased funding from the base year to the following year.

Here is how California and Indiana had previously qualified:

- **California:** The [Charter School Facility Grant Program](#) (SB 740 Program) provides annual facilities rent and lease support to charter schools. Eligible schools have at least 55% of students attending or in the attendance area eligible for FRPL and give attendance preference to students who reside in the local elementary school attendance area. Funds are awarded per unit of classroom-based Average Daily Attendance (ADA), providing up to 75% of annual rent or lease costs. California received SFIG in 2004, 2009, 2014, and 2024.
- **Indiana:** Indiana has provided per-pupil facilities funding for charter schools since its first SFIG grant in 2009 which supported the creation of the Charter Schools Facilities Assistance Program (IC 20-24-12). In 2015, the [Charter and Innovation Network School Grant Program](#) (IC 20-24-13) was created to support greater funding equity, including by providing a per-pupil grant to charter schools. Charter schools are automatically eligible if they meet one of the following criteria: are in the first or second year of operation, rank in the top three categories of school performance, have not received a category or designation of performance established under IC 20-31-8-3 the year before, or serve a majority of students with special needs. Charter schools that are not automatically eligible must apply to the state board to receive funding. Most recently, this funding stream provided \$1,250 per pupil. Indiana received SFIG in 2009 and 2019.

How did Colorado qualify in 2024?

Colorado received SFIG for the first time in 2024. The SFIG award will support the [Colorado Charter School Facilities Assistance Project](#) (CSFAP) which will enhance the state's Charter Capital Assistance Program (CCAP). These changes were created by HB24-1448 which, among many things, allocated \$11.5M in FY 2024-25 for charter school capital construction, increasing annually until it reaches \$15M in FY 2028-29 (see page 10:

https://leg.colorado.gov/sites/default/files/documents/2024A/bills/fn/2024a_hb1448_00.pdf).

These charter school capital construction funds are allocated on a per-pupil basis.

This bill [will add at least \\$28 million in state aid](#) over the life of the SFIG grant, thus “enhancing” the existing per-pupil facilities funding. The SFIG grant will also support strengthening state capacity for high-quality school facilities management and decision making by creating a certification program to incentivize charter leaders to participate in training on school finance topics deemed critical for school success. They will also implement a dynamic management plan to ensure accountability for results.

By enhancing state funding and facilitating a new finance certification program, Colorado demonstrated eligibility for SFIG on a schedule coinciding with an SFIG competition. ***The key here is timing: these changes were made during a year when the SFIG competition was run, allowing Colorado to apply in a timely fashion and receive federal support for the increased facilities funding.*** The Colorado League of Charter Schools also invested significant advocacy efforts to help the changes gain traction and worked to develop relationships with school districts and other stakeholders to ensure the bill included mutually beneficial changes for many stakeholders.

Additional materials on Colorado HB 24-1448:

- Charter School Capital Construction Program:
<https://www.cde.state.co.us/capitalconstruction/csc>
- Colorado Legislative Council Staff Bill summary:
https://leg.colorado.gov/sites/default/files/documents/2024A/bills/fn/2024a_hb1448_00.pdf
- Colorado General Assembly HB24-1448 Bill summary:
<https://leg.colorado.gov/hb24-1448-bill-summary>
- Colorado League of Charter Schools Successes 2024:
<https://coloradoleague.org/resource/successes-2024.html>

- Colorado SFIG application abstract:
<https://www.ed.gov/media/document/colorado-dept-of-ed-abstract>
- Colorado SFIG application peer review:
<https://www.ed.gov/media/document/colorado-dept-of-ed-trf>
- Colorado SFIG full application: not yet available on ed.gov

For more information, please reach out to Will Burns at
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meet teachers and students, and discover the difference of a charter school
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