

October 8, 2020

VIA EMAIL ONLY

Dear Charter School Principals:

We are writing to let you know that included on the agenda of the Board of Trustees' Committee of the Whole meeting scheduled for Monday, October 12, 2020, is an item during which the Board will discuss the withholding of a 2% administrative fee from charter school disbursements starting in the FY22 budget. The agenda was finalized today and this item is being brought forward after a review and approval by the Board's Audit and Finance Committee.

Pursuant to SC Code Ann 59-40-55(C), CCSD can retain up to 2% of the total state appropriations provided for CCSD sponsored charter schools to cover the costs of overseeing the schools. CCSD will consider the recommendations of the Audit and Finance Committee and have a discussion regarding this matter. If approved, it will be placed on the agenda for a final vote at the Board of Trustees' business meeting scheduled for Monday, October 26, 2020.

The estimated amount of the 2% fee for Fiscal Year 2022 is approximately \$1M. Applying the 2% fee will allow the District to cover a portion of the administrative costs associated with managing charters. As a comparison, the state approved indirect cost rate for federal appropriations is 4.58%.

Please share this information with your board immediately.

Sincerely yours,



Natalie A. Ham,
General Counsel

NAH/scb

Office of General Counsel

Gerrita Postlewait, Ed.D.
Superintendent of Schools

Natalie A. Ham
General Counsel