

Lines 16 – 20: “Charter school deficiencies” means the following information: (1) a charter school is not satisfying financial obligations as required by Section 53A-1a-505 in the charter school’s written contractual agreement;

Charter school feedback: The wording here makes it sound like there are “financial obligations” required by statute in 53A-1a-505. That wording is not in statute. Rather it refers to the written agreement all charter schools sign. This rule effectively adds that there will be a “financial obligation” in the contractual agreement. Maybe I am missing something, but I don’t see in that section of the law that they meant specifically “financial obligations”. Maybe we should remove this language all together and not try to add to what is not written in law. Just a suggestion.

Staff comment: Staff agrees that the cited statues does not deal specifically with financial obligations and recommends the following: “Charter school deficiencies” means the following information: (1) a charter school is not satisfying financial obligations as required ~~by Section 53A-1a-505 in the~~ its charter school’s ~~written contractual~~ agreement;

Lines 68 – 70: (1) have and comply with a charter agreement containing clear and meaningful expectations for measuring charter school quality.

Charter school feedback: This seems to give the State Charter School Board the authority to define “charter school quality”. I am not sure who really gets to decide what “quality” really means. Perhaps parents should be a factor in deciding charter school quality. Also, this is really a one way agreement. If a charter school has a problem with something in the agreement, why not give them the chance to have a custom agreement based on their model. If we continue to

just mandate that charters have to follow a set of rules, get accredited and meet performance measures, are we not just making them into what we already have? Just food for thought.

Staff comment: Staff has been party to the State Charter School Board working with schools to define minimum standards for charter schools, but does not feel that these minimum standards define high-quality. Staff believes that an authorizer has the responsibility to define quality for the charter schools it authorizes, just as other chartering entities define quality for the charter schools they oversee. Additionally, staff recommends that the SCSB define high-quality in board rule, using high standards, as a measure to determine which schools deserve expansions, satellite schools, and recognition.

Lines 71 – 72: (2) be members of and accredited by the Northwest Accreditation Commission;

Charter school feedback: I may have missed the law behind this one, but can you tell me where in statute it requires charter schools to be accredited? I know it is in rule, but I am unsure about statute. Thanks in advance for helping me find the law.

Staff comment: This is a State Charter School Board requirement and until there is another meaningful way of determining charter school quality using a reliable third-party review, staff recommends keeping this requirement.

Lines 85 – 87: (2) charter schools shall maintain a minimum of 30 days cash on hand or the cash reserve amount required in bond covenants, whichever is greater;

Charter school feedback: Bond Covenants often allow a school to choose between either a Debt Service Coverage Ratio, or a Cash on hand covenant. Then if it is prudent that they spend down their reserves on a necessary expense one year, they can budget accordingly to begin

rebuilding their reserves and still meet bond covenants. If sophisticated investors are willing to allow charters to choose between an operating margin and a cash reserve, why does the State Charter School Board want to hold them to just one option? Let's not reinvent the wheel or ignore traditional municipal bond structures. We should add an operating margin Option to this rule.

Staff comment: Staff recommends the language change to read “(2) charter schools shall maintain a minimum of 30 days cash on hand or the cash or other reserve amount required in bond covenants, whichever is greater.”

Lines 136 – 139: (7) The State Charter School Board may, for good cause, or if the health, safety, or welfare of the students at the school is threatened at any time during the probationary period, terminate the charter immediately.

Charter school feedback: Although I don't necessarily object to this authority, I am just wondering how “good cause” would stand up in court. It is really very general. Maybe we should just say “health and safety” since the “welfare” of the students is ambiguous as well.

Staff comment: This is verbatim from state law. Staff recommends keeping this language.

Lines 142 – 149: A. The Board may review or terminate the charter based upon factors that may include: (1) failure to meet measures of charter school quality which includes adherence to a charter agreement required and monitored by the State Charter School Board; or (2) charter school deficiencies or irregularities; or (3) failure of the charter school to comply with state law, Board rules or Board directives.

B. If a charter school's charter conflicts with applicable federal or state law or rule, the charter shall be interpreted to require compliance with such law or rule; all other provisions of the school's charter shall remain in full force and effect.

C. A charter school shall notify the Board and the chartering entity of any and all lawsuits filed against the charter school within 30 days of the filing of the lawsuit.

Charter school feedback: Don't say a charter can be terminated based on factors that may include "irregularities". All this does is grant broad authority to the State Charter School Board that won't stand up in court and just makes good charter schools always worried about "Big Brother". Let's be specific, not broad. Take this term out. Maybe we should also consider taking out "board directives". Do districts have to notify the State School Board when they are sued?

Staff comment: Staff agrees with removing the term "irregularities" and recommends "A. The Board may review or terminate the charter based upon factors that may include: (1) failure to meet measures of charter school quality which includes adherence to a charter agreement required and monitored by the State Charter School Board; or (2) charter school deficiencies ~~or irregularities~~; or (3) failure of the charter school to comply with state law, Board rules or Board directives."

The phrase "Board directives" refers to the State Board of Education, not the State Charter School Board, and staff does not recommend removing this language without having a discussion with the SBE regarding their intent with this language.

Lines 13 – 17: E. “Charter school agreement (charter agreement)” means the terms and conditions for the operation of an approved charter school. The final charter school agreement shall be maintained at the USOE.

Charter school feedback: We should remove where the charter school agreement will be maintained, since it is not part of the definition.

Staff comment: Staff recommends identifying who holds the official charter agreement should there ever be any discrepancies between documents a school has and documents the SCSB holds. To this end, staff recommends that the language be changed to read: “Charter school agreement (charter agreement)” means the terms and conditions for the operation of an approved charter school. The ~~final~~ charter school agreement shall be maintained at the USOE and is considered the final, official and complete agreement.”

Lines 175: A. A charter school may change chartering entities if both chartering entities agree.

Charter school feedback: Just wondering why both chartering entities have to agree. We have seen in the past that sometimes a charter school becomes at odds with its chartering entity, or that the chartering entity’s oversight of the school becomes counterproductive to the school’s programs and mission. Why not just allow the school to change chartering entities without requiring permission from both? I suggest we remove this language and let the new chartering entity determine if they want to authorize the change or not.

Staff comment: Staff agrees and recommends the following language: “A charter school may change chartering entities ~~if both chartering entities agree.~~” Later in section 6 there is a

requirement that the new chartering entity receive a position statement from the current chartering entity which provides full disclosure of any concerns. This removes any need for the “agreement” idea.

Lines 226 – 231: A. The following shall apply to requests for expansion for approved and operating charter schools: (1) The school satisfies all requirements of federal and state law, regulations, Board rule and charter agreement.

Charter school feedback: I think you want to say “from”, not “for”. Then change (1) to say something like. “The school shall be in compliance with all requirements.....” By the way, what is “regulations”? Maybe we should define.

Staff comment: Staff agrees with the recommendation to change the word from “for” to “from” “The following shall apply to requests for expansion ~~for~~ from approved and operating charter schools.” The term regulation is used in federal language. Staff does not believe it requires a definition or a change of language in A.(1).

Lines 245 – 246: (c) the securing of the building site shall be verified by a real estate closing document, signed lease agreement, or other contract indicating a right of occupancy pursuant to R277-482-5C;

Charter school feedback: This requirement asks you to submit verification of a site at the time of the request for expansion. That is two years before the school opens. Why not just say that before January 1 as consistent with R277-482-5c, the school shall verify..... That way they won’t have to show signed agreements so far in advance.

Staff comment: This requirement asks a charter school governing board to assure that the building site shall be verified by a document by January 1 and feels the recommended change is unnecessary.

Lines 256 – 258 and 282 – 284: (f) students at the school are performing on standardized assessments at or above the standard in the charter agreement; and (3) Students at the school are performing on standardized assessments at or above the standard in the charter agreement;

Charter school feedback: What if the school was too aggressive in their agreement on their performance goals, but they are outperforming schools around them. Wouldn't it be good for education to allow the expansion? I would re-word this to require schools to show evidence that they are either performing better than local schools or can show consistent improvement over time. Both of these would be good reasons to allow the expansion. This language should also be changed in the Satellite Application section, lines 276 through 278.

Staff comment: Staff identifies a charter agreement as a binding agreement between a chartering entity and a charter school governing board that identifies what the governing board agrees to do in return for the opportunity to operate a charter school. Failure to meet goals in the charter agreement is grounds for termination. Staff does not support the charter schools' position above that performing better on standardized assessments than proximate district schools is reason for expansion (or a satellite school), especially considering the number of district and charter schools failing AYP and underperforming on U-PASS. Staff recommends the definition of high-quality address required charter school performance (e.g., academic, operational, etc.) for an allowed expansion.