

MN ASSOCIATION OF CHARTER SCHOOLS – NEW LAW PRIMER 2024

AUTHORIZERS – (MN STATUTES 124E.05)

NEW: AUTHORIZERS ROLE, RESPONSIBILITIES 124E.05

AUTHORIZER ROLE

- The role of an authorizer is to ensure that a school it authorizes:
 - 1) has the autonomy granted by statute
 - 2) fulfills the purpose of a charter school
 - 3) is accountable to the agreed upon terms of the charter school contract

This is in order to safeguard quality educational opportunities for students and maintain public trust and confidence.

AUTHORIZER RESPONSIBILITIES

- Authorizers have the following responsibilities:
 - 1) APPLICATIONS: to review applications for new schools, determine whether a new school is ready to open, review applications for grade and site expansions, review applications for change in authorizers, and determine whether to approve or deny an application based on the authorizer's approved criteria
 - 2) CONTRACTS: to negotiate and execute the performance charter contracts with the schools it authorizes
 - 3) MONITORING, OVERSIGHT, EVALUATION: to conduct ongoing monitoring, oversight, and evaluation of the school's academic, operational, and financial performance during the term of the charter contract
 - 4) EVALUATE PERFORMANCE FOR CONTRACT RENEWAL: to evaluate the academic, operational, and financial performance of the school as defined in the charter contract prior to the end of the contract to determine the renewal, nonrenewal, or termination of the contract
 - 5) COMPLIANCE: to comply with authorizer requirements in chapter 124E

AUTHORIZER TRAINING

- Authorizers **must** document in the annual report the annual successful completion of training of its staff members during the previous year relative to chartering and an authorizer's role and responsibilities.
- Authorizers **must** participate in department-approved training.

AUTHORIZER REVIEW PROCESS

- MDE **must** review an authorizer's performance every 5 years or at the request of a charter school chief administrator, charter school board, or other interested party.
- After completing the review, MDE **must** transmit a report with findings to the authorizer and the schools authorized by the authorizer.

MDE must do the following as a part of the review process:

- **CRITERIA AND PROCESS**: develop the criteria and process of the performance review system in consultation with authorizers, school administrators, charter school board of directors, and other charter school stakeholders
- **PUBLISH CRITERIA**: publish the authorizer performance review criteria and process at least 12 months before any change or process take effect (*except for changes required to take effect earlier in accordance with state or federal law OR to make technical changes*)
- **EVALUATE PERFORMANCE**: evaluate the authorizer's performance on adherence and implementation of the authorizer's policies, procedures, and processes
- **SOLICIT FEEDBACK** : solicit feedback from the authorizer, charter school administrators, and charter school boards
- **MINIMIZE DUPLICATE REPORTING**: use existing department data to minimize duplicate reporting
- **NOT PENALIZE AUTHORIZERS INAPPROPRIATELY** : MDE must not penalize in any way an authorizer for not chartering additional schools or for the absence of complaints against an authorizer or an authorizer's portfolio of schools

AUTHORIZER APPROVAL PROCESS FOR NEW SCHOOLS

- Grades and number of primary enrollment sites in an approved affidavit may only be modified under the adding grades or sites stipulations and application process outlined in 124E.06 subd. 5.
- **The supplemental affidavit the process must now include:**
 - 1) FOR SITE EXPANSION: a requirement of a market need and demand study with long-range enrollment projections
 - 2) FOR GRADE EXPANSION: documentation of the need for additional grades with supporting long-range enrollment projections
 - 3) LONGITUDINAL ACADEMIC GROWTH: a longitudinal record of at least three most recent years of student academic proficiency and growth on either 1) statewide assessments or 2) on other academic assessments approved by the charter school's board and agreed on by the authorizer
 - 4) SOUND SCHOOL FINANCES: at least three years of sound school finances and a plan to add grades or sites that sustain the school's finances
 - 5) BOARD CAPACITY: demonstrated board capacity to administer and manage additional sites

NEW: CHARTER SCHOOL CONTRACTS 124E.10 subd. 2

LIMITS ON CHARTER AGREEMENTS WITH AUTHORIZERS

- Charter schools **must disclose** to MDE any potential contract, lease, or purchase of a service from the school's authorizer or a **current** board member, employee, contractor, volunteer, or agent of the school's authorizer.
- The contract lease or purchase **must** be accepted through an open bidding process separate from the charter contract.
- The authorizer **must not** enter into a contract to provide management and financial services to a school it authorizes, unless the school documents receiving at least 2 competitive bids.
- This **does not apply** to a charter school or authorizer when contracting for **legal services** from a lawyer that provides professional services to the school or authorizer (*and who is subject to the Minnesota Rules of Professional Conduct*).

RECORDING AND PRESERVING TERMINATION HEARINGS

- When an authorizer terminates a charter school contract, the school can request a hearing with their authorizer.
- The hearing **must be recorded** by audio recording, video recording, or a court reporter. The authorizer **must preserve the recording for three years and make it available to the public.**

NEW: CONFLICTS OF INTEREST 124E.07, 124E.14

AUTHORIZER BOARD CONFLICTS OF INTEREST

- Charter school employees or board members **cannot** serve on the board or decision-making committee of the school's authorizer.
- An employee or school board member **must** disclose to the school's board any paid compensation they receive from the school's authorizer.
- Any contractor, employee, agent, or board member of an authorizer **cannot** serve on the board of a school chartered by the authorizer if they participated in initially reviewing, approving, overseeing, evaluating, renewing, or not renewing the charter school.

NEW: DISSEMINATION OF INFORMATION 124E.17

CHARTER SCHOOL INFORMATION DISSEMINATION AND REPORTING

- Charter schools **must** disseminate information about the school's offerings and enrollment procedures to families that reflect the diversity of Minnesota's population and targeted groups.
- **Target groups include:** low-income families and communities, students of color, students at risk of academic failure, and students underrepresented in the school's student body relative to Minnesota's population.
- Schools **must** document their dissemination activities in their annual report.
- The authorizer **must include** a school's dissemination activities in their performance review of the school.

AUTHORIZER FINANCIAL STATEMENTS

- Upon request of an individual, an authorizer must make available in a timely fashion:
 - 1) financial statements showing all operations and transactions affecting the authorizer's income, surplus, and deficit during the last annual accounting period
 - 2) a balance sheet summarizing assets and liabilities on the closing date of the accounting period

EFFECTIVE DATE - AUGUST 1, 2024