

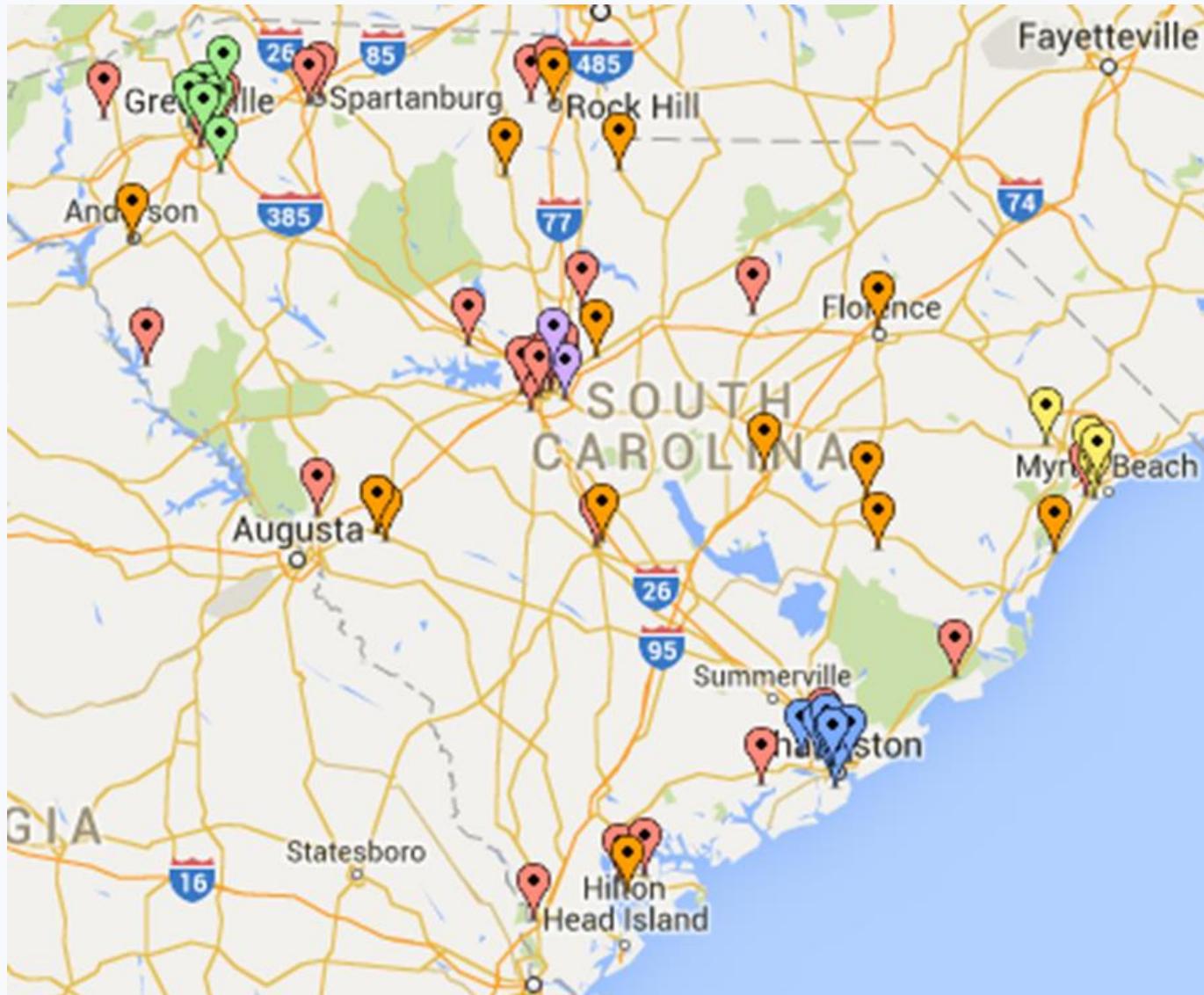


# **Sponsors: Monitoring without Managing and Closure Concepts**

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# Landscape of Charter Sponsoring

Where are the schools?

Who are their sponsors?

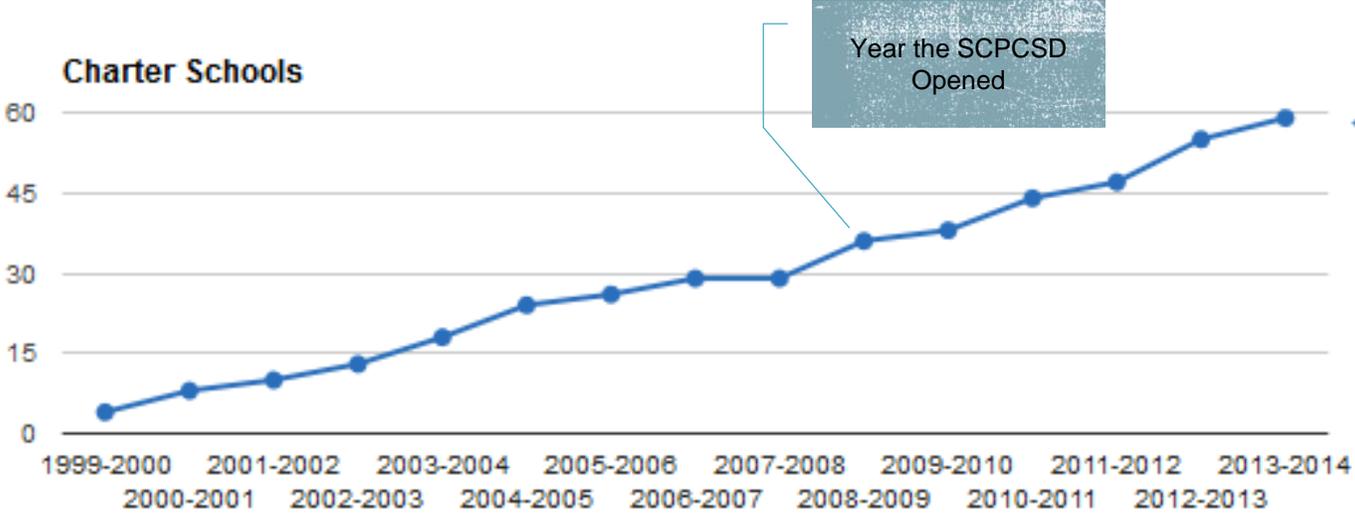
Note - Students are enrolled in virtual public charter schools in every community.

# Steady Growth

68 Schools Currently

1996 - Charter Act Signed  
2006 – SCPCSD Added  
2012 – IHEs added

## Total Number of Schools



Note: An additional 24 public charter schools have opened and closed.

<http://dashboard.publiccharters.org/dashboard/schools/page/overview/state/SC/year/2014>



**Nurture the  
intent of the  
law to grow  
educational  
opportunities**



**SECTION 59-40-30.** Intent of General Assembly.

(A) In authorizing charter schools, it is the intent of the General Assembly to create a legitimate avenue for parents, teachers, and community members **to take responsible risks and create new, innovative, and more flexible ways of educating all children** within the public school system. The General Assembly seeks to create an atmosphere in South Carolina's public school systems where research and development in producing different learning opportunities are actively pursued and where classroom teachers are given the flexibility to innovate and the responsibility to be accountable. As such, **the provisions of this chapter should be interpreted liberally to support the findings and goals of this chapter** and to advance a renewed commitment by the State of South Carolina to the mission, goals, and diversity of public education.

(B) It is the intent of the General Assembly that creation of this chapter **encourages cultural diversity, educational improvement, and academic excellence.** Further, it is not the intent of the General Assembly to create a segregated school system but to continue to promote educational improvement and excellence in South Carolina.

**Nurture the intent of the law to grow educational opportunities.**

# Where do sponsors fit in?



State Laws set the autonomy and accountability of public charters. This is drafted and passed by State Legislators and signed by the Governor

SC Board of Education creates related regulations

SC Department of Education creates guidelines and templates and supports sponsors and schools

Sponsoring Districts and Higher Ed Institutions approve and sponsor public charter schools. They hold the board responsible for the implementation of the charter and contract.

Charter School Boards govern the charter schools through a contract with the sponsor. They are an autonomous 501c3. They hold the school leader responsible for implementing the charter and contract.

School Leaders oversee the day to day operations of school

# At the start...

## **(C) A board of trustees or area commission shall deny an application only if:**

The application does not meet the requirements specified in Section 59-40-50 or 59-40-60, fails to meet the spirit and intent of this chapter, or adversely affects, as defined in regulation, the other students in the district in which the charter school is to be located,

**or if, based on the totality of information provided by the applicant, the board of trustees or area commission determines that the applicant has failed to demonstrate a substantial likelihood that it has the capacity to establish a viable school based on national industry standards of quality charter school authorization.**

It shall provide, within ten days, a written explanation of the reasons for denial, citing specific standards related to provisions of Section 59-40-50 or 59-40-60 that the application violates. This written explanation immediately must be sent to the charter committee and filed with the State Board of Education.



NEW in  
2014

# Charter Contracts

## ■ *Since 2012*

## SECTION 59-40-40. Definitions.

- (9) "Charter school contract" means a fixed term, renewable contract between a charter school and a sponsor that outlines the roles, powers, responsibilities, and performance expectations for each party to the contract.

## SECTION 59-40-60.

- (B) A contract between the charter school and the sponsor must be executed and must reflect all provisions outlined in the application as well as the roles, powers, responsibilities, and performance expectations for each party to the contract. A contract must include the proposed enrollment procedures and dates of the enrollment period of the charter school. All agreements regarding the release of the charter school from school district policies must be contained in the contract. The Department of Education shall develop a contract template to be used by charter schools and the sponsor. The template must serve as a foundation for the development of a contract between the charter school and the sponsor.
- (C) A material revision of the terms of the contract between the charter school and the sponsor may be made only with the approval of both parties.

Remember:

- The charter application remains the guiding document.
- The contract is the signed agreement between the two boards – the Sponsor and the School.
- This will be developed upon approval or renewal.

(C) A charter must be revoked or not renewed by the sponsor if it determines that the charter school:

(1) committed a material violation of the conditions, standards, performance expectations, or procedures provided for in the charter application or charter school contract, or both;

(2) failed to meet the academic performance standards and expectations as defined in the charter application or charter school contract, or both;

(3) failed to maintain its books and records according to generally accepted accounting principles or failed to create an appropriate system of internal control, or both; or

(4) violated any provision of law from which the charter school was not specifically exempted.

(D) A sponsor summarily may revoke any charter school that is determined by the sponsor to pose an imminent threat of harm to the health or safety of students, or both, based on documented and clear and convincing data.

(E) Any charter school shall automatically and permanently close at the conclusion of the school year in which the school first becomes subject to automatic closure for receiving the lowest performance level rating as defined by the federal accountability system for three consecutive years beginning with student achievement data from the 2013-2014 school year. The determination of closure is considered final. Automatic closure shall not apply to any charter school serving fifty percent or more students with disabilities or any charter school designated as an Alternative Education Campus (AEC) by its sponsor as outlined in Section 59-40-111.

## **And the possible end - Revocation**

*At the core of their work, Charters need to be excellent stewards of public funds and ensure students are excelling academically.*

# Common Roles in Sponsoring

- Gatekeeper – New School Approval
- Monitoring – Existing Schools
- Evaluating – Annual Reviews, Renewal, and Revocation

# Innovative Pathways in Sponsoring

- Community based solutions
- A catalyst for change
- Leveraging resources
- Empowering great leadership
- Meeting student needs with flexibility and accountability.

# It all comes down to relationships.

What does an efficient, fair and productive relationship look like between a sponsor and a charter school that focuses on overall school performance?

- It starts with a performance contract developed by both parties with clear expectations in writing.
- It includes a performance framework and an annual report on the outcomes of the education program, organizational operations, financial report along with the financial audit.
- Monitoring and oversight includes monthly or quarterly progress reports that focus on outcomes, not inputs. Helpful data may include:
  - Actual student growth based on their formative testing.
  - Data for students who have been enrolled in the school over three plus years.
  - Retention of students and teachers from one school year to the next.
- Site visits that focus on outcomes from the high expectations communicated in the charter and contract.
- Fair and equitable resource allocation based on state and federal laws reflecting the students being served by the school.
- Advance and clear communication of district and state report due dates.
- Notification of sponsor board meetings when there are items impacting the school directly.
- Transparency is critical in developing a great relationship – from both the school and the sponsor. If you are going to collect data you are responsible for actually looking at it and asking the school leader for clarity on any inconsistencies or concerns you have.



## **A Few Basic Building Block of Chartering**



# Board Composition

According to SECTION 59-40-50 there are certain things you **MUST** do.

A charter school must:

- consist of a board of directors of **seven or more individuals** with the exact number specified in or fixed in accordance with the bylaws. Members of a board of directors **may serve a term of two years**, and may serve additional terms. A choice of the membership of the board must take place every two years. **Fifty percent of the members of the board as specified by the bylaws must be individuals who have a background in K-12 education or in business**, and the bylaws of the charter school also must provide for the manner of selection of these members. In addition, at **least fifty percent of the members of the board as specified by the bylaws must be elected** by the employees and the parents or guardians of students enrolled in the charter school. Parents or guardians shall have one vote for each student enrolled in the charter school. **All members must be residents of the State of South Carolina**. A person who has been convicted of a felony must not be elected to a board of directors. If the board of directors consists of an odd number of members, the extra member must be an individual who has a background in K-12 education or in business;

# Board Composition

- Board consists of at least 7 or more members
- All members are residents of the state of SC
- 50% have a background in K-12 education or business
- At least 50% are elected by the parent body and staff. The other 50% can be appointed.
- May have up to 2 year terms and may run for more than one term.
- May need to amend your bylaws—material change and needs to be approved by your sponsor.

# Legal and Ethical Expectations

Updated 2015

**Updated Language:** Charter school must:

“(11) be subject to the ethics and government accountability requirements for public members and public employees as contained in Chapter 13, Title 8. For purposes of this subsection, employees of the charter school board are considered public employees. The charter contract in accordance with Section 59-40-60(B) must contain a statement of assurance of ethical compliance on behalf of the school.”

[http://www.scstatehouse.gov/sess121\\_2015-2016/prever/4084\\_20150602.htm](http://www.scstatehouse.gov/sess121_2015-2016/prever/4084_20150602.htm)

## **State Ethics Act and Code of Conduct**

- No person can use their official position for economic gain for himself or family.
- No person can use their position to influence a governmental decision. You cannot endorse candidates!
- Link to State Ethics Act:  
<http://www.scstatehouse.gov/code/t08c013.php>

# Legal and Ethical Expectations

- Conflict of Interest
  - Board members who may benefit from an action of the board must recuse themselves from any vote regarding that action.
- Implementation of Conflict of Interest—
  - When a board members recuses themselves they must do so in writing to the board chair.
  - They should not be part of the discussion either.
  - And it is suggested that they leave the room.

# FOIA and Open Meeting Laws

- As public schools, charter schools are subject to the requirements of the SC FOIA
  - Advance public notice of meetings/agendas posted
  - Board approved minutes are public record
  - Meeting takes place only if a quorum is present
  - A quorum is a simple majority
  - Open Meetings—all charter board meetings must be open to the public unless there is a valid legal reason to go into executive session.

Executive Session examples include:

- Discussion of personnel actions or issues
- Student matters (when dealing with a specific student)
- Contractual issues
- Receiving legal advice
- Board appointments

**I thought  
Charters  
were exempt  
from state  
and federal  
laws?**

**Not even close...**

**SECTION 59-40-50.** Exemption; powers and duties; admission to charter school.

(A) Except as otherwise provided in this chapter, a charter school is exempt from all provisions of law and regulations applicable to a public school, a school board, or a district, although a charter school may elect to comply with one or more of these provisions of law or regulations.

**According to SECTION 59-40-50**

**there are certain things  
charter schools MUST do.**

# Same Health, Safety, Civil Rights, and Disability Rights

According to SECTION 59-40-50 there are certain things you **MUST** do.

A charter school must:

- adhere to the [same health, safety, civil rights, and disability rights requirements](#) as are applied to public schools operating in the same school district or, in the case of the South Carolina Public Charter School District or a public or independent institution of higher learning sponsor, the local school district in which the charter school is located;

# Do we have to go 180 days?

**According to SECTION 59-40-50**

A charter school must:

- meet, but may exceed, the [same minimum student attendance requirements](#) as are applied to public schools;



**As a charter sponsor – you need to define how you will monitor the progress from caterpillar to butterfly.**



(C) A charter must be revoked or not renewed by the sponsor if it determines that the charter school:

(1) committed a material violation of the conditions, standards, performance expectations, or procedures **provided for in the charter application or charter school contract**, or both;

(2) **failed to meet the academic performance standards** and expectations **as defined in the charter application or charter school contract**, or both;

(3) **failed to maintain its books and records according to generally accepted accounting principles or failed to create an appropriate system of internal control**, or both; or

(4) **violated any provision of law from which the charter school was not specifically exempted.**

(D) A sponsor summarily may revoke any charter school that is determined by the sponsor **to pose an imminent threat of harm to the health or safety of students**, or both, based on documented and clear and convincing data.

(E) Any charter school shall automatically and permanently close at the conclusion of the school year in which the school first becomes subject to **automatic closure for receiving the lowest performance level rating as defined by the federal accountability system for three consecutive years beginning with student achievement data from the 2013-2014 school year.** The determination of closure is considered final. Automatic closure shall not apply to any charter school serving fifty percent or more students with disabilities or any charter school designated as an Alternative Education Campus (AEC) by its sponsor as outlined in Section 59-40-111.

***Build your  
monitoring  
and oversight  
around these  
factors.***

(1) committed a material violation of the conditions, standards, performance expectations, or procedures **provided for in the charter application or charter school contract**, or both;

## **Material Compliance with Charter**

1. *Are they doing what they said they would do in their charter?*

*Go on a site visit.*

*Does the school resemble what was proposed in the charter?*

(2) failed to meet the academic performance standards and expectations as defined in the charter application or charter school contract, or both;

# ***Academic Performance***

*2. Did they meet the academic performance standards and expectations from their charter or contract?*

*Look at their assessment scores and the annual report.*

(3) failed to maintain its books and records according to generally accepted accounting principles or failed to create an appropriate system of internal control, or both; or

## **Financial Management**

Are they meeting GAAP and do they have an appropriate system of internal controls?

Review the audit.

Ask what changes have been put in place to remedy and findings.

(4) violated any provision of law from which the charter school was not specifically exempted.

**SECTION 59-40-50.** Exemption; powers and duties; admission to charter school.

(A) Except as otherwise provided in this chapter, a charter school is exempt from all provisions of law and regulations applicable to a public school, a school board, or a district, although a charter school may elect to comply with one or more of these provisions of law or regulations.

**According to SECTION 59-40-50  
there are certain things a charter school  
MUST do.**

## **Compliance**

*Are they in compliance  
with section 59-40-50?*

*Share a check list of  
items you will be  
reviewing and a  
calendar.*

(D) A sponsor summarily may revoke any charter school that is determined by the sponsor to pose an imminent threat of harm to the health or safety of students, or both, based on documented and clear and convincing data.

## **Health and Safety**

*Are the students in a learning environment that is safe? Do they have a certificate of occupancy?*

*Have they made facilities changes since it was issued?*

(E) Any charter school shall automatically and permanently close at the conclusion of the school year in which the school first becomes subject to automatic closure for receiving the lowest performance level rating as defined by the federal accountability system for three consecutive years beginning with student achievement data from the 2013-2014 school year. The determination of closure is considered final. Automatic closure shall not apply to any charter school serving fifty percent or more students with disabilities or any charter school designated as an Alternative Education Campus (AEC) by its sponsor as outlined in Section 59-40-111.

## **Automatic closure**

New in 2014

Pause?

Freeze?

3 years of failing federal letter grades (wording)?

# Closure

The timeline is spelled out in the law:

- (F) **At least sixty days** before not renewing or terminating a charter school, the sponsor shall notify in writing the charter school's governing body of the proposed action. The notification shall state the grounds for the proposed action in reasonable detail. Termination must follow the procedure provided for in this section.
- (H) The charter school's governing body may request in writing a hearing before the sponsor **within fourteen days of receiving notice** of nonrenewal or termination of the charter. Failure by the school's governing body to make a written request for a hearing within fourteen days must be treated as acquiescence to the proposed action. Upon receiving a timely written request for a hearing, the sponsor shall give reasonable notice to the school's governing body of the hearing date. The sponsor shall conduct a hearing before taking final action. The sponsor shall take final action to renew or not renew a charter by the last day of classes in the last school year for which the charter school is authorized.

# Closure? Transfer?

(G) The existence of another charter granting authority must not be grounds for the nonrenewal or revocation of a charter. Grounds for nonrenewal or revocation must be only those specified of this section.

(I) A charter school seeking renewal may submit a renewal application to another charter granting authority if the charter school has not committed a material violation of the provisions specified in this section and the sponsor refuses to renew the charter. In such cases the charter school shall continue to receive local funding pursuant to Section 59-40-140(A). However, the charter school is not eligible to receive one hundred percent of the base student cost from the State. The charter school only is eligible to receive the percentage of the base student cost previously received as a school in its former district.

**SECTION 59-40-115.** Termination of contract with sponsor.

A charter school may terminate its contract with a sponsor before the ten-year term of contract if all parties under contract with the charter school agree to the dissolution. A charter school that terminates its contract with a sponsor directly may seek application for the length of time remaining on its original contract from another sponsor.

# Dissolution Happens

- **SECTION 59-40-120.** Dissolution of charter school.
- Upon dissolution of a charter school, its assets may not inure to the benefit of any private person. Any assets obtained through restricted agreements with a donor through awards, grants, or gifts must be returned to that entity. All other assets become property of the sponsor.

# Appeal

- (J) A decision to revoke or not to renew a charter school may be appealed to the Administrative Law Court pursuant to the provisions of Section 59-40-90. Upon appeal to the Administrative Law Court, there is no automatic stay of the revocation or nonrenewal decision. Pending resolution of the appeal, the charter school also may move before the Administrative Law Court for imposition of a stay of the revocation or nonrenewal on the grounds that an unusual hardship to the charter school will result from the execution of the sponsor's decision.

# Protocol

- (K) Prior to any public charter school closure, the sponsor shall develop a public charter school closure protocol to ensure timely notification to parents, orderly transition of students and student records to new schools, and proper disposition of school funds, property, and net assets in accordance with the requirements of this chapter. The protocol shall specify tasks, timelines, and responsible parties, including delineating the respective duties of the school and the sponsor. In the event of a public charter school closure for any reason, the sponsor shall oversee and work with the closing school to ensure a smooth and orderly closure and transition for students and parents, as guided by the closure protocol.

# Closure

- What do effective closure practices look like?
  - Who will communicate with the parents?
  - Who will communicate with the teachers?
  - Who will retain the financial records?
  - Who will retain the transcripts for the students?
  - What is your plan – you should have a closure plan before you approve a school.
- Why are closure protocols important?  
Discussion and Q&A

Directly from the law:

- (K) Prior to any public charter school closure, the sponsor shall develop a public charter school closure protocol to ensure:
- timely notification to parents
  - orderly transition of students and student records to new schools
  - and proper disposition of school funds, property, and net assets in accordance with the requirements of this chapter.
- The protocol shall specify:
    - tasks, timelines, and responsible parties
    - including delineating the respective duties of the school and the sponsor.
  - **In the event of a public charter school closure for any reason, the sponsor shall oversee and work with the closing school to ensure a smooth and orderly closure and transition for students and parents, as guided by the closure protocol.**



# Wrap up



## **Who is monitoring the sponsors?**

***State Superintendent? SCDE Staff? SC Board of Education? Education Oversight Committee? US Dept of Education? SCPCSD?***

SC currently has limited oversight of their sponsors.

There is limited language about funding needing to flow within 10 days from the sponsor, but that is it.

Charter schools and stakeholders become frustrated when issues occur that are not easily resolved.

Challenges with sponsoring is South Carolina:

- Charter schools are part of the LEA, not their own LEA as in some states.
- Balancing a charter school's autonomy with their accountability.
- Communication with charter school leader and charter school board of directors.

## **What are some of the challenges?**

Discussion of challenges current authorizers are facing and resources.

# Resources

- NACSA:  
<http://www.qualitycharters.org/>



- National Charter Schools Institute  
<http://nationalcharterschools.org/>

