



STATE OVERSIGHT OF CHARTER SCHOOLS

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Colorado law provides distinct roles for the Colorado Department of Education (CDE) and the State Board of Education (state board) in overseeing charter schools. Colorado's charter schools, which numbered 154 for the 2009-10 school year, are authorized through a local school district or the state Charter School Institute. While most of the state oversight falls under the purview of the state board, the CDE is responsible for conducting an evaluation of the state's charter schools and for resolving disputes pertaining to charter school financing. The issue brief provides an overview of the authority of the CDE and the state board.

Colorado Department of Education

The CDE has two main responsibilities pertaining to charter schools under state law:

- conducting an evaluation of the state's charter schools at least every three years and providing that information to the House and Senate Education committees and the Governor; and
- resolving disputes between a charter school and a school district regarding the reconciliation of the up to 5 percent of administrative costs that a school district may withhold from the charter school.

Evaluation. The CDE conducted an evaluation of charter schools in June 2009. The report presents data and information about charter schools in five key areas:

- Colorado charter school history;
- characteristics of charter schools;

- characteristics of charter school students;
- charter school performance; and
- data pertaining to charter school teachers and administrators.

The report notes that during the 2007-2008 school year, 141 charter schools operated in the state of Colorado and that if all of the charter schools were combined into an imaginary district, the enrollment of that district would be the fourth largest in the state (The three largest school districts in the state are: Jefferson County Schools, Denver Public Schools, and Douglas County Schools). It also found that charter school student performance on reading, math, and writing assessments compared to their counterparts in other public schools varied greatly depending on the assessment, the grade level, and the student's race/ethnicity. A copy of the report, *The State of Charter Schools in Colorado*, is available on the CDE's website at www.cde.state.co.us.

Charter school financing. Charter schools receive 100 percent of school district revenues for each student enrolled in the charter school who is not an on-line student and 100 percent of the district per-pupil on-line funding for each on-line student enrolled in the charter school. However, a school district may withhold up to 5 percent of a charter school's per pupil revenues to cover the actual central administrative overhead costs for services provided to a charter school.

Within 90 days of the end of each fiscal year, the school district is responsible for providing an itemized accounting of all its central administrative overhead costs and of the district services that the charter school

purchased from the district. If either party, the school district or the charter school, disputes an itemized accounting, that party is entitled to a third party review conducted by CDE. The department's determination is final.

State Board of Education

State law authorizes the state board to oversee the following aspects of charter schools:

- accreditation of charter schools;
- review of decisions by local school boards concerning the denial of charter school applications;
- resolution of contract disputes;
- determination of charter school waivers; and
- the granting of exclusive chartering authority.

Accreditation of schools. Under state law, the state board has oversight responsibility for all public schools, which includes charter schools. Specifically, the state board is responsible for reviewing the attainment levels on performance indicators demonstrated by each public school, each school district, and the Charter School Institute. A charter school is also accredited by its school district or authorizer.

Appeal authority of charter school applications. State law authorizes the state board to review decisions of any local board of education, upon a notice of appeal or upon its own motion, concerning the:

- denial of a charter school application;
- the renewal or revocation of a charter school's charter; or
- the unilateral imposition of conditions on a charter applicant or charter school.

The state board must review the decision of the local board of education and make its findings within 60 days of receipt of the notice of appeal or the making of a motion to review by the state board. If the state board finds that the decision was contrary to the best interests of the students, school district, or community, the state board must remand such a decision to the local school board for its reconsideration. If the local board retains its position, and the decision is appealed or the state board

moves to review the decision, the state board may remand a second decision instructing the local board to reverse its decision.

The state board may also review the Charter School Institute's decisions regarding revocation or denial of a renewal of a charter contract.

Resolution of contract disputes. The state board is also charged with resolving charter contract disputes. Under state law, a charter school may dispute a governing policy provision of a school's charter contract. Such a dispute is resolved by using a neutral third party which publishes written findings. If the two parties in the dispute do not agree to the written findings, the state board may consider an appeal or upon its own motion conduct a *de novo* review of the matter and hearing. After considering the matter, the state board must:

- issue its decision on the findings of the neutral third party; or
- make its own findings within 60 days of making a motion for a *de novo* review and hearing.

Waivers. The state board is required to promulgate rules identifying state statutes and state rules that are automatically waived for all charter schools. Local chartering authorities may apply to the board for additional waivers from state statutes and rules, except that no charter school may operate free from the requirements of: the Public School Finance Act of 1994; laws pertaining to school accountability committees, student assessments, and school performance reports; or the Children's Internet Protection Act.

The board is also required to conduct periodic reviews of the waivers it has granted, and if the board determines that the waiver is no longer necessary, it may revoke the waiver.

Exclusive chartering authority. A local chartering authority may seek to retain or recover exclusive chartering authority within the geographic boundaries of the school district by presenting a resolution to the state board by March 1 of the fiscal year prior to which the authority will apply. If a request for exclusive chartering authority is denied, the state board must provide the local board with a written explanation for the denial.