

MINNESOTA CHARTERED PUBLIC SCHOOL FACTS

Bipartisan Reforms Passed in the Last Biennium Now Being Implemented

At MACS and as a charter sector we believe all chartered public schools should be held accountable, transparent, and held to high standards. Every year we work with bipartisan lawmakers to pro-actively address issues that come up and improve the charter law. These laws are now being implemented by charter schools across the state:

- ✓ **Enhanced Board Governance, Policies, Training Requirements**
- ✓ **Enhanced Board Finance Requirements and Authorizer Accountability Tools**
- ✓ **Enhanced Eligibility and Professional Development Requirements for School Administrators**
- ✓ **Clarified and Improved Authorizer Oversight, Evaluation, and Training Requirements**
- ✓ **Enhanced Conflict of Interest Protections, Gift Bans, and Nepotism Policies**
- ✓ **Market Need and Demand Study Requirement in School Formation and Expansion Process**
- ✓ **Procurement Policy / Competitive Bidding Requirements for School Purchases**
- ✓ **Enhanced Transparency and Contract Protections w. Commercial Entities**
- ✓ **Enhanced Transparency Requirements for Schools and Authorizers** *(on all charter contracts, school performance evaluations, notices of intervention, correction action, probationary status, or notices of intent to terminate to be available to the public and school communities in real time on authorizers' and schools' websites)*



MN Association of
Charter Schools



PRIMER | MINNESOTA CHARTERED PUBLIC SCHOOLS

MN ASSOCIATION OF CHARTER SCHOOLS | 161 RONDO AVENUE, SUITE 1000, ST. PAUL, MN 55103 | 651-789-3090 | MNCHARTERSCHOOLS.ORG

OVERVIEW

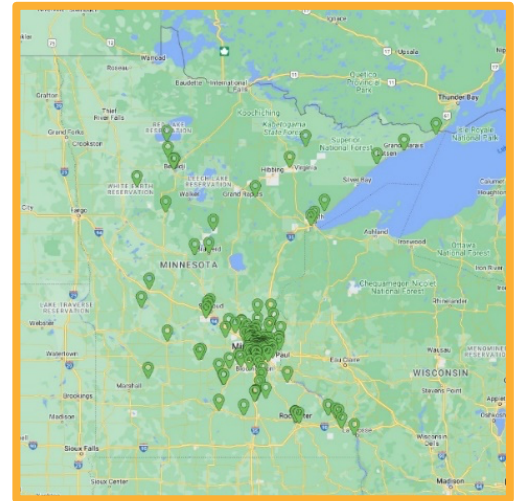
Minnesota chartered public schools are **tuition free**, independent **public schools** that are open to and **welcome all students**, no matter their ability or need, and are **governed and operated jointly by licensed teachers, parents, and community members**.

Minnesota chartered public schools are:

- ✓ **100% Tuition Free**
- ✓ **Independent Public Schools**
- ✓ **Welcoming to All Students**
- ✓ **Teacher, Parent, & Community Governed/Operated**

Minnesota is the birthplace of the chartered public school movement with the enactment of the nation’s first charter school law in 1991. As of October 1, 2024, there are **173 chartered public schools in operation in Minnesota**. While **roughly 70%** of all Minnesota chartered public schools are in the greater Twin Cities metropolitan area, there are chartered public schools in communities across the state, from Grand Portage to Echo and from Bemidji to La Crescent.

As of October 1, 2024, there are **72,352 PreK-12 students** enrolled in Minnesota’s chartered public schools (about **8.3%** of all Minnesota PreK-12 students currently enrolled).



MN CHARTERED PUBLIC SCHOOL FACTS

BASICS: Minnesota chartered public schools...

- ✓ Are **public schools**.
- ✓ Are **tuition free**.
- ✓ **Cannot require entrance exams or requirements for admission**.
- ✓ **Cannot limit admission of pupils based on** intellectual ability, measures of achievement or aptitude, or athletic ability.
- ✓ **Must accept all students up to capacity** – if there are more students than enrollment slots, the school must conduct a lottery.

OPERATIONS: Minnesota chartered public schools...

- ✓ Are formed and operate as Minnesota non-profit corporations.
- ✓ Boards are composed of parents, licensed teachers, and community members.
- ✓ Boards are elected by parents and school staff and are subject to Minnesota’s Open Meeting Law.
- ✓ Boards enter into a legally binding charter contract with an authorizer.
- ✓ Have an authorizer (college or university, a non-profit organization, or a traditional school district) that is the authorizing authority and oversight body of the school.
- ✓ Teachers must hold a valid Minnesota teaching license.
- ✓ Have the same financial audits, audit procedures, and audit requirements as traditional public school districts.

- ✓ Are subject to Human Rights Law, Pupil Fair Dismissal Act, Public School Fee Law, Data Practices Law, General Employment Law, federal, state and local health and safety laws, state testing requirements, etc.
- ✓ Must follow the same federal and state requirements to provide special education services as traditional public school districts.
- ✓ Receive less per pupil funding than traditional public schools. They cannot levy property taxes and receive no funding from local property taxes.

PROGRAMS: Minnesota chartered public schools:

- ✓ Have specific program focuses, such as language immersion, project-based learning, environmental education, arts education, expeditionary learning, online learning, etc.
- ✓ Are normally smaller in size than traditional public schools and usually have smaller class sizes.
- ✓ Are more diverse in enrollment than state averages.

AUTHORIZERS: There are **12 authorizers** in Minnesota – these include colleges/universities, non-profit organizations, traditional school districts, and single purpose authorizers.

CHARTER SCHOOL LEGAL REFERENCES: Minnesota Statutes 124E



MN CHARTERED PUBLIC SCHOOL STATISTICS

DEMOGRAPHIC INFORMATION

- **72,352** PreK-12 students enrolled in Minnesota chartered public schools (about **8.3%** of all Minnesota PreK-12 students currently enrolled).
- Since 2004-05, the number of students enrolled in chartered public schools has grown from **17,500** to **over 70,000**.

DEMOGRAPHIC INFORMATION

- Compared to state averages, chartered public schools enroll:
 - A larger percentage of **English Language Learner students (25% vs. 10% statewide)**
 - A larger percentage of **Students of Color and Indigenous students (66% vs. 40% statewide)**
 - A larger percentage of **students that qualify for Free or Reduced Lunch (60% vs. 40% statewide)**
 - Comparable number of students receiving **Special Education Services**

OPERATIONAL & PRE-OPERATIONAL SCHOOLS

- **173** chartered public schools in operation.
- **Three (3)** pre-operational chartered public schools planning to open in fall 2026; **five (5)** planning to open in fall 2027.

GRADE CONFIGURATION OF SCHOOLS

- | | | | | | | |
|--------------|---------------|----------------|-------------|------------|-------------|-------------|
| • PreK-4 (1) | • PreK-7 (1) | • PreK-12 (11) | • K-7 (3) | • 1-8 (1) | • 5-12 (1) | • 9-12 (18) |
| • PreK-5 (1) | • PreK-8 (14) | • K-5 (9) | • K-8 (42) | • 1-12 (1) | • 6-12 (16) | • 10-12 (1) |
| • PreK-6 (5) | • PreK-11 (1) | • K-6 (13) | • K-12 (22) | • 5-8 (1) | • 7-12 (5) | |

GEOGRAPHIC DISTRIBUTION

- **27** chartered public schools in **Minneapolis**
- **34** chartered public schools in **St. Paul**
- **59** chartered public schools in the **seven-county metro area** (excluding St. Paul and Minneapolis)
- **53** chartered public schools located in **Greater Minnesota** (excluding the Twin Cities Metro Area)

PROGRAM FOCUS

- | | |
|--|--|
| <ul style="list-style-type: none"> • Arts Focused (performing, visual, etc.) • Career & Technical Education • Character Education • College Preparatory • Core Knowledge • Dual Language & Multilingual (French, German, Hmong, Korean, Mandarin, Ojibwe, Russian, Somali, Spanish, etc.) • Environmental Education | <ul style="list-style-type: none"> • Expeditionary Education • Global Citizenship • International Baccalaureate (IB) • Montessori • Project-Based Learning • Service Learning • STEM (Science, Technology Engineering & Math) • Target Populations (deaf, autism, at-risk, etc.) |
|--|--|

STAFF COUNT FOR RETIREMENT

- Teacher Retirement Association (TRA) count: **4,900** employees in chartered public schools (2024-25)
- Public Employees Retirement Association (PERA) count: over **4,100** employees in chartered public schools (2018-19)

FACILITIES (FY23)

- | | |
|--|--|
| <ul style="list-style-type: none"> • Total Leased Space: over 8.35 million square feet • Average Square Footage Leased: 48,564 square feet | <ul style="list-style-type: none"> • Average Cost Per Square Foot Leased: \$14.23 • Average Lease Aid Per Square Foot: \$13.34 |
|--|--|

TRANSPORTATION (FY23)

- **127** schools provided their own transportation services – of these, **19** also use public transportation
- **46** schools used traditional public school district transportation



MN ASSOCIATION OF CHARTER SCHOOLS – NEW LAW PRIMER 2023

NEW LAW: CHARTER SCHOOL MARKET NEED & DEMAND STUDY - (MN Statutes 124E)

LEGAL DEFINITION

Market Need and Demand Study means a study that includes the following for the proposed locations of the school or additional site:

- 1] current and projected demographic information;
- 2] student enrollment patterns;
- 3] information on existing schools and types of educational programs currently available;
- 4] characteristics of proposed students and families;
- 5] availability of properly zoned and classified facilities, and
- 6] quantification of existing demand for the school or site.

SCHOOL APPLICATION REQUIREMENTS

- An application for a **new school** must include a Market Need & Demand Study
- An application for a **site expansion** must include a Market Need & Demand Study

AUTHORIZER RESPONSIBILITIES

- **Review** the Market Need & Demand Study submitted as part of the school's (new or site expansion) application
- **State in the authorizer affidavit** to commissioner that the Market Need & Demand Study as part of the terms and conditions the authorizer would charter a new school
- **State in the authorizer affidavit** to the commissioner that the Market Need & Demand Study for a site expansion is documented to the satisfaction of the authorizer

EFFECTIVE DATE - AUGUST 1, 2023

MN ASSOCIATION OF CHARTER SCHOOLS – NEW LAW PRIMER 2023

NEW LAW: CMO/EMO ACCOUNTABILITY & TRANSPARENCY – (MN Statutes 124E)

LEGAL DEFINITIONS

CHARTER MANAGEMENT ORGANIZATION OR CMO

- Means “any nonprofit or for-profit entity that contracts with a charter school board of directors to provide, manage, or oversee all or substantially all of a school’s education program or a school’s administrative, financial, business, or operational functions.”

EDUCATION MANAGEMENT ORGANIZATION OR EMO

- Means “a nonprofit or for-profit entity that provides, manages, or oversees all or substantially all of the education program, or the school’s administrative, financial, business, or operational functions.”

SCHOOL AUDIT REPORT REQUIREMENTS

- **A copy of a new management agreement or an amendment to the current agreement** with a CMO or EMO signed during the audit year; and
- **A copy of the service agreement or contract** with a company or individual totaling more than 5 percent of the audited expenditures for the most recent audit year.

SCHOOL’S ANNUAL REPORT REQUIREMENT

- **Information about the school’s management agreements** with a CMO/EMO

PUBLIC ACCOUNTABILITY & REPORTING RESPONSIBILITIES OF THE SCHOOL

- **Publish on the school website** for at least 20 business days the proposed final agreement with a CMO or EMO for public comment before the school board may adopt the contract or agreement
- **Annually publish on the school website** a statement of assurance that no school board member, staff member, agent of the school has been promised or received any form of compensation or gifts from the CMO or EMO
- **Annually publish on the school website** a statement of assurance that no board member, employee, or agent of the CMO or EMO or any of the organization affiliates or providers serve on the charter school board.
- **Conduct an independent review and evaluation** of the services provided by the CMO or EMO & publish the evaluation on the school website **at least 30 business days** before the end of the current contract.

PROVISIONS REQUIRED IN CONTRACTS OR AGREEMENTS WITH A CMO OR EMO

- **Term of the contract** or agreement, it **may not exceed five years**;
- **Total dollar value** of the contract or agreement including projected costs of services;
- **Description and terms of the services** to be provided during the term of the contract;
- Notice that a school closure during the term of the contract by action of the authorizer or board of directors means that current contract becomes null and void;
- A process for an **annual statement of assurance** to the charter school board that the CMO or EMO provided no compensation of gifts to any school board member, staff member, or agent of the school;
- A process for an **annual statement of assurance** to be issued that no charter school board member, employee, contractor, or agent of the CMO or EMO or any affiliated organization is a board member of the school or any other charter school.
- **Policies and protocols that meet federal and state laws regarding student and personnel data collection, usage, access, retention, disclosure and destruction**, and indemnification and warrant provisions in case of data breaches by the CMO or EMO;
- A process for an **annual assurance** to the charter school board that all assets purchased on behalf of the school using public funds remain assets of the school.

PROVISIONS THAT NULLIFY AND VOID A CONTRACT WITH A CMO OR EMO

- **Any restriction** on the school's ability to continue to operate upon the termination of the agreement with the CMO or EMO.
- **Any restriction** on the annual or total amount of the school's operating surplus or fund balance.
- **Any authorization** which allows a CMO or EMO to withdraw funds from school accounts.
- **Any authorization** to allow a CMO or EMO to loan funds to the school.

CMO & EMO FINANCIAL ACCOUNTABILITY

- The **CMO or EMO must annually** provide the school's board of directors a financial report by **July 31** that accounts for income and expenditures for the previous fiscal year using the account categories in the Uniform Financial Accounting and Reporting Standards (**UFARS**).

CMO & EMO CONFLICT OF INTERESTS - AUTHORIZERS

- A CMO or EMO or its affiliates, employees, or agents **may not contract, be employed by, or serve on the board** of an authorizer.
- An authorizer or its affiliates, employees, or agents **may not contract, be employed by, or serve as a paid consultant for, or serve as a board member** of a CMO or EMO.

EFFECTIVE DATE - AUGUST 1, 2023

MN ASSOCIATION OF CHARTER SCHOOLS – NEW LAW PRIMER 2024

CHARTER SCHOOL PROVISIONS – (MN Statutes 124E)

NEW: CHARTER SCHOOL PURPOSES 124E.01 subd.1

- Charter schools **must identify the purposes** outlined in statute (listed below) that it will address in its charter contract.
- **Schools must document** the implementation of those purposes in the school's annual report to be included as a component of the authorizer's performance review of the school.
- Purposes of charter schools outlined in statute:
 - 1) increase quality learning opportunities for all pupils students
 - 2) encourage the use of different and innovative teaching methods
 - 3) measure learning outcomes and create different and innovative forms of measuring outcomes
 - 4) establish new forms of accountability for schools
 - 5) create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site

NEW: CHARTER SCHOOL NEW DEFINITIONS 124E.02

- **CMO "Charter management organization"**: Defined as a non-profit entity or organization that operates or manages a charter school or a network of charter schools or can control all or substantially all of a school's education program or a school's administrative, financial, business, or operational functions.
- **EMO "Educational management organization"** : Defined as a for-profit entity or organization that operates or manages a charter school or network of charter schools or can control all or substantially all of a school's education program or a school's administrative, financial, business, or operational functions.
- **Immediate Family Member** : Defined as any relationship by blood, marriage, adoption or partnership of spouses, parents, grandparents, siblings, children, first cousins, aunts, uncles, grandchildren, nieces, and nephews.
- **Related Party**: Defined as an affiliate or immediate family member of the other interested party, an affiliate of an immediate family member who is the other interested party, or an immediate family member of an affiliate who is the other interested party.

CHARTER SCHOOL DISCIPLINE POLICIES 124E.03 (121A.60, 121A.61, and 121A.65.)

- The law clarifies that charter schools **are subject to and must comply with** the Pupil Fair Dismissal Act including new discipline policies and removing students from class policies that passed in the 2023 session.

NEW: CHARTER ENGLISH LEARNER POLICIES 124E.03 (123B.32)

- Charter schools **must adopt and review** a Language Access Plan as though they were a district. See MACS *Language Access Plan new law primer* for requirements.

NEW: CHARTER SCHOOL BOARDS 124E.07

INITIAL BOARD OF DIRECTORS

- Initial board members **cannot** be related parties.
- The initial board of directors and school developers **must** comply with training requirements in the charter law upon the incorporation of the school.
- Initial Board **must** begin transitioning to the ongoing board structure by the end of the first year of operation and it **must** be completed by the end of the second year of operation.

ONGOING BOARD OF DIRECTORS

BOARD TERMS

- Board terms **must** begin on July 1st.
- Board terms can be **no less** than two years.

BOARD BYLAWS

- Board bylaws **must** set the number of terms an individual may serve on the board or as an officer of the board.
- Board bylaws **must** define the board structure. Board structure may be one of the following:
 - 1) a majority of teachers
 - 2) a majority of parents
 - 3) a majority of community members
 - 4) no clear majority

BOARD BYLAWS CONT.

- Board bylaws **must** outline the process to change the board's governance structure.
- Boards can change its governance structure **only** by: 1) a majority vote of the board, 2) majority vote of licensed teachers employed by the school who provide instruction to students, and 3) the authorizer's approval

BOARD MEMBERSHIP CRITERIA:

- Ongoing board members must include at least **one licensed teacher, at least one parent or legal guardian, and at least one interested community member.**
- **A licensed teacher serving on the board :**
 - 1) must be **employed by the school** or provide at least 720 hours of service under a contract between the charter school and a teacher cooperative
 - 2) must be a **qualified teacher** either **serving as a teacher of record in a field in which the individual has a field license, or providing services to students the individual is licensed to provide** (defined in 122A.16)
 - *Eligible qualified teachers for a board (if other requirements are met) include all persons employed in a public school or education district or by a service cooperative as members of the instructional, supervisory, and support staff including superintendents, principals, supervisors, secondary vocational and other classroom teachers, librarians, school counselors, school psychologists, school nurses, school social workers, audio-visual directors and coordinators, recreation personnel, media generalists, media supervisors, and school speech-language pathologists.*
 - 3) must **NOT serve in an administrative or supervisory capacity for more than 240 hours** in a school calendar year
- **A parent or legal guardian serving on the board:**
 - 1) must have a student enrolled in the charter school
 - 2) must **NOT** be an employee of the school
- **An interested community member serving on the board:**
 - 1) must **reside** in Minnesota
 - 2) must **NOT have a child enrolled in the school**
 - 3) must **NOT be an employee** of the charter school
- Board members **cannot** be **related parties.**

BOARD MEMBERS

- Chief financial officers (CFOs) **cannot** serve as ex-officio nonvoting board members - ONLY chief administrators can do so.
- Contractors who provide facilities, goods, or services to a charter school **cannot** serve on the board of directors.
- 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.
- A person **cannot** serve on more than one charter school board at the same time in an elected capacity.
- An individual is **prohibited** from serving on more than one charter school board at the same time in an elected or ex-officio capacity. A charter school administrator **can only serve on more than one charter school board** at the same time in an ex-officio capacity under the rules listed in 124E.12 Subd. 2 (f) : *(undergoing a 2/3rds vote of approval of both boards and notice sent to the authorizer upon approval)*
- Employees of the charter school **cannot** serve on the charter school's board, except licensed teachers under the rules listed in 124E.07 Subd. 3 (b)(1-3).

BOARD ELECTIONS

- Charter school boards **must establish and publish** election policies and procedures on the school's website.
- Charter school boards **must notify eligible voters** of the school board election dates and voting procedures at least 30 calendar days before the election and post it on the school's website.
- Charter school boards **must notify eligible voters** of the candidate's names, biographies, and candidate statements at least 10 calendar days before the election and post it on the school's website.

BOARD DUTIES

- Charter School Boards **must decide and are responsible for** all decision making on policy matters related to operating the school, including budgeting, curriculum programming, personnel, and operating procedures.

NEPOTISM POLICY

- Charter schools boards **must adopt** a nepotism policy that prohibits employing immediate family members of a board member, school employee, or teacher who provides instruction under a contract between the charter school and a cooperative.
 - The board can waive this policy IF:
 1. The position is posted publicly for 20 business days
 2. 2/3rds majority of remaining board directors who are not immediate family members of an applicant vote to approve the hiring
 - A board member, school employee, or teacher under contract with a cooperative cannot be involved in the interview, selection process, hiring, supervision, or evaluation of an employee who is an immediate family member.

BOARD TRAINING

All charter school board members and nonvoting ex-officio members (who are charter school directors) must attend board training.

- **New board members must complete training:**
 - **Before their term begins on**
 - 1) charter school board's role and responsibilities
 - 2) open meeting law
 - 3) data practices law
 - **Within 12 months of being seated on:**
 - 1) employment policies and practices under chapter 181
 - 2) public school funding and financial management
 - 3) the board's roles and responsibilities regarding student success, achievement, and performance.
- Board members who do not complete training within the 12-month period are automatically **ineligible** to continue to serve as a board member and ineligible to be elected or appointed to a charter school board for a period of 18 months.
- The training's completion must be certified by the organization or person providing it.

- **Ex-officio board members** must complete training within 3 months of starting employment at the school. The training's completion must be certified by the organization or person providing it.

- **Annual Training requirements for all board members:**
 - Training **must** be based on an annual assessment of the training needs of individual members and the full board.

 - The training's completion **must** be certified by the organization or person providing it.

 - Training should include but is not limited to :
 - 1) budgeting
 - 2) financial management
 - 3) recruiting and hiring a charter school director or chief administrator
 - 4) evaluating a charter school director or chief administrator
 - 5) governance-management relationships
 - 6) student support services
 - 7) student discipline
 - 8) state standards
 - 9) cultural diversity
 - 10) succession planning
 - 11) strategic planning
 - 12) program oversight and evaluation
 - 13) compensation systems
 - 14) human resources policies
 - 15) effective parent and community relationships
 - 16) authorizer contract and relationships
 - 17) charter school law
 - 18) legal liability
 - 19) board recruitment and elections
 - 20) board meetings and operations
 - 21) policy development and review
 - 22) school health and safety

- Charter schools are responsible for covering the costs related to board training.

BOARD TRAINING REPORTING

- Charter schools **must include** the training each board member completed during the previous year in its annual report.
- Charter school boards **must ensure** that an annual assessment of the board's performance is conducted and the results are reported in the school's annual report.

BOARD MEETINGS MINUTES

- Charter schools **must publish and maintain** the meeting minutes of the board and committees on the school's website within 30 days following the earlier of : 1) the date the board approved the minutes or 2) the next regularly scheduled meeting.
- Minutes need to remain posted for at least 365 days from the date of publication.

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: ADMISSION REQUIREMENTS AND ENROLLMENT 124E.11

STAFF CHILDREN ENROLLMENT PREFERENCE ELIGIBILITY

- Staff members of a charter school are eligible for enrollment preference for their child, *including a foster child*, if they are:
 - employed at the school
 - that employment is stipulated in advance to total at least 480 hours in a school calendar year

ENROLLMENT INCENTIVE PROHIBITIONS

- Charter schools or **agents** of charter schools **cannot** distribute services or goods, payments, or other incentives of value to students, parents, or guardians as an inducement, term, or condition of enrolling a student in a charter school.

STUDENT WITHDRAWAL CLARIFICATION

- Free Pre-K and K-12 students **must** remain enrolled in charter schools until:
 - 1) the student formally withdraws
 - 2) the school receives a request for the transfer of educational records from another school
 - 3) the school receives a written election by the parent or legal guardian of the student withdrawing the student
 - 4) the student is expelled under the Pupil Fair Dismissal Act

NEW: CMOS AND EMOS 124E.12 subd. 1

- Charter schools **cannot** contract with a CMO (Charter Management Organization) or EMO (Education Management Organization) to provide necessary teachers.

NEW: CHARTER SCHOOL ADMINISTRATORS 124E.12 subd. 2

ADMINISTRATORS SERVING ON MULTIPLE CHARTER SCHOOL BOARDS

- Charter school administrators **cannot** serve on the board of a different charter school **unless** they are serving as an ex-officio member due to being an administrator serving at multiple schools approved under the conditions listed in the next section.

ADMINISTRATORS SERVING AT MULTIPLE CHARTER SCHOOLS

- Charter school administrators **cannot** serve as a paid administrator or consultant with another charter school **unless** the board has knowledge of the arrangement and conducts a 2/3rds vote of approval of the arrangement.
- Boards involved in these arrangements **must send notice** to the authorizers upon approval.

BOARD ESTABLISHED QUALIFICATIONS FOR ADMINISTRATORS

- Charter school boards **must establish** qualifications for all persons who hold administrative, academic supervision, or instructional leadership positions.
- The qualifications **must include** a requirement that the person hold a minimum of a four-year degree from an accredited institution or equivalent experience.
- Other qualifications for these positions **must include** (*as appropriate for the specific position*):
 - 1) instruction and assessment
 - 2) curriculum design
 - 3) human resource and personnel management
 - 4) professional ethics
 - 5) child development
 - 6) financial management
 - 7) legal and compliance management
 - 8) special education oversight
 - 9) contract management
 - 10) effective communication
 - 11) cultural competency
 - 12) board and authorizer relationships
 - 13) parent relationships
 - 14) community partnerships

BOARD ESTABLISHED QUALIFICATIONS FOR ADMINISTRATORS (CONT.)

- **Charter school boards must use** those qualifications as the basis for the job description, hiring, and performance evaluation of the charter school director or chief administrator.
- **The charter school director must use** those qualifications as the basis for the job descriptions, hiring process, and performance reviews for the administrative staff, academic program supervisors, and instructional leaders who report to the charter school director.

ADMINISTRATOR TRAINING REQUIREMENTS

- A person who **does not** hold a valid administrator's license **may** perform administrative, academic supervision, or instructional leadership duties.
- **UNLICENSED ADMIN REQUIREMENTS:** A person **without** a valid administrator's license serving as a charter school director or chief administrator must complete a minimum of 25 hours annually of competency-based training corresponding to the individual's annual professional development needs and plan approved by their board.

Annual training includes but is not limited to:

- 1) instruction and curriculum
- 2) state standards
- 3) teacher and staff hiring, development, support, and evaluation
- 4) social-emotional learning
- 5) data collection and usage
- 6) assessment methodologies
- 7) use of technology for learning and management
- 8) charter school law and requirements
- 9) code of professional ethics
- 10) financial management and state accounting requirements
- 11) grant management
- 12) legal and compliance management
- 13) special education management
- 14) health and safety laws
- 15) restorative justice
- 16) cultural competencies
- 17) effective communication
- 18) parent relationships
- 19) board and management relationships
- 20) community partnerships
- 21) charter contract and authorizer relationships
- 22) public accountability

- **LICENSED ADMIN REQUIREMENTS:** A person with a valid administrator’s license serving as a charter school director or chief administrator must complete a minimum of 10 hours of competency-based training during the first year of employment.

Training must include:

- 1) charter school law and requirements,
 - 2) board and management relationships
 - 3) charter contract and authorizer relationships
- **For licensed and unlicensed administrator training:**
 - Training **cannot** be self-instructional.
 - The organization or instructor providing the training **must certify** its completion.
 - The administrator **must** submit certification of the completed training to the charter school board.
 - Certifications **must** be maintained in the personnel file.
 - Completing training **must** be a component of annual performance evaluations.
 - All professional development training completed by the charter school director or chief administrator in the previous academic year **must** be documented in the school’s annual report.

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

CHARTER SCHOOL PROVISIONS – (MN Statutes 124E)

NEW: APPLICABLE LAW 124E.03

GIFT BAN

Charter school **board members**, charter school **directors** and **chief administrators**, are “officials” and subject to the gift bans under current state law. Specifically:

- Gifts can not be accepted from “interested persons,” (those with a direct financial interest),
- Gifts are defined as, “means money, real or personal property, a service, a loan, a forbearance or forgiveness of indebtedness, or a promise of future employment”
- Exceptions to the gift ban rule include:
 - Contribution for political purposes
 - Services to assist an official in the performance of official duties, including but not limited to providing advice and consultation
 - Services of insignificant monetary value
 - Plaques or mementos recognizing individual services
 - Trinkets or mementos costing \$5 or less
 - Informational material of unexceptional value
 - Food or a beverage given at a reception, meal, or meeting away from the recipient's place of work by an organization before whom the recipient appears to make a speech or answer questions as part of a program
 - The interested person is a family member
 - The official is a part of an organization where the majority of the membership are not local officials, and a gift is offered to all participants
 - The official is a part of by a national or multistate organization of governmental organizations or public officials, if a majority of the dues to the organization are paid from public funds, to attendees at a conference sponsored by that organization, if the gift is food or a beverage given at a reception or meal and an equivalent gift is given or offered to all other attend

CURRICULUM AND ASSESSMENT

Charter schools **must** comply with all sections in Chapter 120B.

NEW: CHARTER SCHOOL MERGERS 124E.06 subd.7

Charter schools that are merging **must** execute a new charter contract (*under section 124E.10, subdivision 1*) with the authorizer and the merged school by June 1st. The effective date of a merger is still required to be July 1st.

EFFECTIVE DATE: Effective for mergers after **July 1, 2025**.

NEW: CHARTER SCHOOL LOCATION CHANGE PROCESS 124E.06

Developing, preoperational, or operational charter schools (*with an approved affidavit*) who want to move to a new location **must**:

- **Apply to the authorizer** for review and approval to change the location by submitting documentation (**must include a revised market need and demand study that justifies the move**).

Each authorizer will establish a formal review process that confirms whether:

- There is a genuine market need and demand for the school in the new location
- That the move supports the school's ongoing viability

EFFECTIVE DATE: Effective for applications submitted on or after **July 1, 2025**.

NEW: CHARTER SCHOOL BOARDS 124E.07

OATH OF OFFICE

- An initial member and elected board member of a charter school board **must** file a written oath of office with the charter school's authorizer (*locally determined process*).

FINANCE COMMITTEE REQUIRED

Every charter school board **must** create a **finance committee**. The finance committee **must** meet regularly and include at least one current board member.

- The committee is responsible for reviewing and making recommendations to the board on financial health and best practices, including (*but not limited to*):
 - Financial strategy
 - Enrollment tracking
 - Budgeting and planning
 - Internal controls and compliance
 - Revenue generation

- Financial conflicts of interest
- Audits and financial reporting
- Regular review of financial statements and transactions
- Meeting any finance-related requirements set by the authorizer in the charter contract
- If the school is **under corrective action for financial reasons** (*as determined by its authorizer*) it **must** :
 - Include the authorizer in regularly scheduled finance committee meetings (*at least monthly*). The authorizer can attend in person or virtually.
 - Upon request of the authorizer, the school **must** hire a **financial expert**.

MEMBERSHIP ON MULTIPLE CHARTER SCHOOL BOARDS PROHIBITED

If an individual violates the law against serving on more than one charter school board at the same time they **must** stop serving on any charter school board and are ineligible to be elected or appointed to any charter school board for the next 24 months.

CHARTER SCHOOL BOARD MEMBER COMPENSATION LIMIT

If a board member is compensated for serving on a charter school board, they cannot receive more compensation than a school board member in the school district where the charter school is located.

NEW: TRANSPARENCY REQUIREMENTS 124E.17

Authorizers must:

- Publish the following documents on their website for at least 5 years from the date they are issued:
 - All charter contracts and amendments (*under 124E.10*)
 - School performance reviews and performance evaluations
 - Notices of intent to terminate or not renew the charter contract and related final determinations
 - **Unresolved** notices of intervention, deficiency, concern, corrective action, or probationary status
- Publish an annual financial statement on their website identifying its sources of income related to authorizing activities and its authoring expenses, including:
 - staff, consultants, facility, professional development, transportation, membership dues, technology, office supplies, bank fees, administrative overhead, and professional fees for accounting, legal, and financial services, consistent with

section 124E.05, subdivision 8, and a balance sheet related to authorizing activities summarizing assets and liabilities

Charter Schools must:

- **Post a link in a conspicuous** place on their school’s official website to the section of their authorizer’s website where information specific to their school is listed (*referenced above*)

- **Distribute authorizer-issued information** (if requested by the authorizer) about interventions, corrective actions, and probationary status
 - Information **must** be shared with the school’s authorizer, school employees, and parents and legal guardians of enrolled students.
 - Distribution can be by publication, mail, or electronic communication.

NEW: AUDIT REPORTS 124E.16 subd.1

Charter schools **must** annually submit all supplemental information included in its audit to the commissioner and to its authorizer.

- This **must** include any management agreements with charter management organizations (CMOs) or educational management organizations (EMOs).

NEW: PERFORMANCE EVALUATION REPORT 124E.16 subd.4

Charter schools **must**:

- **Publish** on their website the formal written performance evaluation from their authorizer
- **Disseminate** the evaluation to enrolled families in languages they understand, consistent with the school’s language access plan requirements

Evaluations **must** be published on the school’s website **within 15 business days** of receipt and **for at least 365 days** from date of publication.

EFFECTIVE DATE – JULY 1ST 2025

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

MN ASSOCIATION OF CHARTER SCHOOLS – NEW LAW PRIMER 2025

AUTHORIZERS – (MN Statutes 124E)

NEW: AUTHORIZER TRAINING REQUIREMENTS 124E.05 subd.2

- Authorizers are required to participate in annual training approved by the Minnesota Department of Education.

NEW: LIVE STREAMING TERMINATION HEARING 124E.10 subd. 4

When an **authorizer** terminates a charter school contract, the school can request a hearing with their authorizer.

- Termination Hearings **must** be publicly live-streamed in addition to the requirement that they are recorded, made available to the public, and preserved for three years.

NEW: TRANSPARENCY REQUIREMENTS 124E.17, 124E.05

Authorizers must:

- **Publish the following documents on their website** for at least 5 years from the date they are issued:
 - All charter contracts and amendments (under §124E.10)
 - School performance reviews and performance evaluations
 - Notices of intent to terminate or not renew the charter contract and related final determinations
 - **Unresolved** notices of intervention, deficiency, concern, corrective action, or probationary status
- **Publish an annual financial statement on their website** identifying its sources of income related to authorizing activities and its authoring expenses, including:
 - staff, consultants, facility, professional development, transportation, membership dues, technology, office supplies, bank fees, administrative overhead, and professional fees for accounting, legal, and financial services, consistent with section 124E.05, subdivision 8, and a balance sheet related to authorizing activities summarizing assets and liabilities

- **Include each of the commissioner’s performance review findings** (listed under 124E.05 subd.5) in their annual report.

Charter Schools must:

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