

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 2706  
**Version:** As introduced

**DATE:** March 14, 2014

**Authors:** Slocum and others

**Subject:** Charter school clarifications

**Analyst:** Lisa Larson

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: [www.house.mn/hrd/](http://www.house.mn/hrd/).

---

### Overview

Clarifies, among other things, charter school requirements affecting: the time line for the education commissioner to respond to amended deficiencies in authorizers' affidavits; approval of a supplementary affidavit; the contents of the annual audit report; parameters for a comprehensive program of instruction; student admission priorities; board of directors responsibilities for an affiliated nonprofit building corporation; and the need for a positive review and comment before finalizing a purchase agreement or construction contract in excess of \$500,000.

#### Section

- 1** **Formation of a school.** (b) Requires the education commissioner to approve or disapprove an authorizer's amended affidavit within 15 business days of receiving the authorizer's response to deficiencies previously noted by the commissioner.
- (j) Strikes the existing language in and proposes new language for this paragraph. Allows a charter school to apply to its authorizer to add grades beyond what the charter provides. Directs the authorizer to submit a supplementary affidavit to the commissioner if the authorizer approves the school's application. Requires the supplementary application to demonstrate the need for the expansion, a longitudinal record of student academic performance and growth, a history of school finances and a sound plan for financing the expansion, and a plan to administer and manage the expansion.
- (k) Requires the education commissioner to approve or disapprove an authorizer's amended supplemental affidavit within 15 business days of receiving the authorizer's response to deficiencies previously noted by the commissioner.

## Section

- 2**      **Audit report.** Directs a charter school to include in its audit report copies of the management agreements with a charter or educational management organization. Requires the agreement to detail the services provided and the costs of the services.
- 3**      **Federal, state, and local requirements.** (f) Requires a charter school to focus primarily on a comprehensive program of instruction for at least one grade or age group from pre-kindergarten, instead of age 5, through age 18. Declares that once a student enrolls in the school, the student is considered an enrolled student until the student formally withdraws from the school or the student's enrollment is revoked under the Pupil Fair Dismissal Act.
- 4**      **Admission requirements.** Requires a charter school to give preference to enrolling a kindergarten student if a pre-kindergarten student is a sibling and to the foster child of the student's parents and allows a charter school to give enrollment preference to the children of the charter school staff before accepting other students by lot.
- 5**      **Affiliated nonprofit building corporation.** (a) Allows a charter school to organize an affiliated nonprofit building corporation to purchase and renovate an existing facility or to construct a new facility if the charter school has: operated for at least six years; a net unreserved general fund balance as of June 30 in the three preceding years; long-range strategic and financial plans that include enrollment projects; completed a feasibility study of facility options; and a plan for project parameters and budget.
- (b) Requires an affiliated nonprofit building corporation to post on the school Web site the name, mailing address, bylaws, minutes of board meetings, and current board members' names. Requires the corporation to submit a copy of its annual audit to the commissioner by December 31.
- Strikes existing language on organizing an affiliated nonprofit building corporation.
- (d) Makes the authorizer responsible for monitoring the corporation's compliance with the law. Declares that a board of directors' failure to ensure that a corporation complies with the law is a violation of the board's responsibilities and a factor to be considered by the authorizer in evaluating the charter school.
- 6**      **Positive review and comment. Strikes existing language.** Prohibits a charter school or its affiliated nonprofit building corporation from finalizing a purchase agreement or construction contract in excess of \$500,000 before receiving a positive review and comment from the commissioner. Declares null and void a purchase agreement or construction contract finalized before a positive review and comment.