## **2004 SESSION**

048704380 HOUSE BILL NO. 380 1 2 AMENDMENT IN THE NATURE OF A SUBSTITUTE 3 (Proposed by the House Committee on Education 4 5 6 7 on February 11, 2004) (Patrons Prior to Substitute—Delegates Lingamfelter and Baskerville [HB 845]) A BILL to amend and reenact §§ 2.2-3109, 22.1-212.5, 22.1-212.6, 22.1-212.8, 22.1-212.9, 22.1-212.11, and 22.1-212.12 of the Code of Virginia, relating to the Charter School Excellence and 8 Accountability Act. 9 Be it enacted by the General Assembly of Virginia: 1. That §§ 2.2-3109, 22.1-212.5, 22.1-212.6, 22.1-212.8, 22.1-212.9, 22.1-212.11, and 22.1-212.12 of 10 the Code of Virginia are amended and reenacted as follows: 11 § 2.2-3109. Prohibited contracts by other officers and employees of local governmental agencies. 12 A. No other officer or employee of any governmental agency of local government shall have a personal interest in a contract with the agency of which he is an officer or employee other than his own contract of employment. B. No officer or employee of any governmental agency of local government shall have a personal interest in a contract with any other governmental agency that is a component of the government of his county, city or town unless such contract is (i) awarded as a result of competitive sealed bidding or competitive negotiation as defined in § 2.2-4301 or is awarded as a result of a procedure embodying competitive principles as authorized by subdivisions 10 or 11 of § 2.2-4343 or (ii) is awarded after a finding, in writing, by the administrative head of the governmental agency that competitive bidding or negotiation is contrary to the best interest of the public. 23 C. The provisions of this section shall not apply to: 24 1. An employee's personal interest in additional contracts of employment with his own governmental 25 agency that accrue to him because of a member of his immediate family, provided the employee does not exercise any control over the employment or the employment activities of the member of his 26 27 immediate family and the employee is not in a position to influence those activities; 28 2. An officer's or employee's personal interest in a contract of employment with any other 29 governmental agency that is a component part of the government of his county, city or town; 30 3. Contracts for the sale by a governmental agency of services or goods at uniform prices available 31 to the general public; 32 4. Members of local governing bodies who are subject to § 2.2-3107; or 33 5. Members of local school boards who are subject to § 2.2-3108; or 34 6. Any ownership or financial interest of members of the governing body, administrators, and other 35 personnel serving in a public charter school in renovating, lending, granting, or leasing public charter school facilities, as the case may be, provided such interest has been disclosed in the public charter school application as required by § 22.1-212.8. 36 37 38 § 22.1-212.5. Objectives; definitions. 39 A. In order to (i) stimulate the development of innovative programs within public education; (ii) 40 provide opportunities for innovative instruction and assessment; (iii) provide parents and students with 41 more options within their school divisions; (iv) provide teachers with a vehicle for establishing schools 42 with alternative innovative instruction and school scheduling, management and structure; (v) encourage the use of performance-based educational programs; (vi) establish and maintain high standards for both 43 44 teachers and administrators; and (vii) develop models for replication in other public schools, public charter schools may be established in Virginia as provided in this article. 45 46 B. As used in this article: "At-risk pupil" means a student having a physical, emotional, intellectual, socioeconomic, or cultural risk factor, as defined in Board of Education criteria, which research indicates may negatively influence educational success. 50 "Public charter school" means a public, nonsectarian, nonreligious, or non-home-based alternative 51 school located within a public school division. A public charter school may be created as a new public school or through the conversion of all or part of an existing public school; however, no public charter 52 53 school shall be established through the conversion of a private school or a nonpublic home-based 54 educational program. A charter school for at-risk pupils may be established as a residential school. 55 "Regional public charter school" means a public charter school operated by two or more school boards and chartered directly by the participating school boards. 56 § 22.1-212.6. Establishment and operation of public charter schools; requirements. 57

A. A public charter school shall be subject to all federal and state laws and regulations and 58 59 constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, gender, HB380H1

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60 national origin, religion, ancestry, or need for special education services and shall be subject to any court-ordered desegregation plan in effect for the school division or, in the case of a regional public 61 62 charter school, any court-ordered desegregation plan in effect for relevant school divisions.

63 Enrollment shall be open to any child who is deemed to reside within the relevant school division or, 64 in the case of a regional public charter school, within any of the relevant school divisions, as set forth in 65 § 22.1-3, through a lottery process on a space-available basis. A waiting list shall be established if adequate space is not available to accommodate all students whose parents have requested to be entered 66 in the lottery process. Such waiting list shall also be prioritized through a lottery process and parents 67 shall be informed of their student's position on the list. 68

69 B. A public charter school shall be administered and managed by a management committee, 70 composed of parents of students enrolled in the school, teachers and administrators working in the school, and representatives of any community sponsors, in a manner agreed to by the public charter 71 school applicant and the local school board. Pursuant to a charter contract and as specified in 72 73 § 22.1-212.7, a public charter school may operate free from specified school division policies and state regulations, and, as public schools, shall be subject to the requirements of the Standards of Quality, 74 75 including the Standards of Learning and the Standards of Accreditation.

76 C. Pursuant to a charter agreement, a public charter school shall be responsible for its own operations, including, but not limited to, such budget preparation, contracts for services, and personnel 77 matters as are specified in the charter agreement. A public charter school may negotiate and contract 78 79 with a school division, the governing body of a public institution institutions of higher education, or any 80 third party for the use or construction of a school building and grounds, the operation and maintenance thereof, and the provision of any service, activity, or undertaking which the public charter school is 81 required to perform in order to carry out the educational program described in its charter. Any services 82 83 for which a public charter school contracts with a school division shall not exceed the division's costs to 84 provide such services.

85 D. In no event shall a public charter school be required to pay rent for space which is deemed 86 available, as negotiated by contract, in school division facilities. All other costs for the operation and 87 maintenance of the facilities used by the public charter school shall be subject to negotiation between 88 the public charter school and the school division or, in the case of a regional public charter school, 89 between the regional public charter school and the relevant school divisions.

90 E. A public charter school shall not charge tuition.

91 § 22.1-212.8. Charter application.

92 A. Any person, group, or organization, including any institution of higher education, may submit an application for the formation of a public charter school. 93 94

B. The public charter school application shall be a proposed agreement and shall include:

95 1. The mission statement of the public charter school that must be consistent with the principles of 96 the Standards of Quality.

97 2. The goals and educational objectives to be achieved by the public charter school, which 98 educational objectives must meet or exceed the Standards of Learning.

99 3. Evidence that an adequate number of parents, teachers, pupils, residents of the school division, or 100 any combination thereof, support the formation of a public charter school.

4. A statement of the need for a public charter school in a school division or relevant school 101 102 divisions in the case of a regional public charter school, or in a geographic area within a school division 103 or relevant school divisions, as the case may be.

104 5. A description of the public charter school's educational program, pupil performance standards, and 105 curriculum, which must meet or exceed any applicable Standards of Quality; any assessments to be used to measure pupil progress towards achievement of the school's pupil performance standards, in addition 106 to the Standards of Learning assessments prescribed by § 22.1-253.13:3; the timeline for achievement of 107 108 such standards; and the procedures for taking corrective action in the event that pupil performance at the 109 public charter school falls below such standards.

110 6. A description of the lottery process to be used to determine enrollment. A lottery process shall 111 also be developed for the establishment of a waiting list for such students for whom space is unavailable and, if appropriate, a tailored admission policy that meets the specific mission or focus of the public 112 charter school and is consistent with all federal and state laws and regulations and constitutional 113 114 provisions prohibiting discrimination that are applicable to public schools and with any court-ordered desegregation plan in effect for the school division or, in the case of a regional public charter school, in 115 116 effect for any of the relevant school divisions.

7. Evidence that the plan for the public charter school is economically sound for both the public 117 charter school and the school division or relevant school divisions, as the case may be; a proposed 118 budget for the term of the charter; and a description of the manner in which an annual audit of the 119 120 financial and administrative operations of the public charter school, including any services provided by the school division or relevant school divisions, as the case may be, is to be conducted. 121

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122 8. A plan for the displacement of pupils, teachers, and other employees who will not attend or be 123 employed in the public charter school, in instances of the conversion of an existing public school to a 124 public charter school, and for the placement of public charter school pupils, teachers, and employees 125 upon termination or revocation of the charter.

126 9. A description of the management and operation of the public charter school, including the nature 127 and extent of parental, professional educator, and community involvement in the management and 128 operation of the public charter school.

129 10. An explanation of the relationship that will exist between the proposed public charter school and 130 its employees, including evidence that the terms and conditions of employment have been addressed 131 with affected employees.

132 11. An agreement between the parties regarding their respective legal liability and applicable 133 insurance coverage.

134 12. A description of how the public charter school plans to meet the transportation needs of its 135 pupils.

136 13. Assurances that the public charter school (i) is nonsectarian in its programs, admission policies, 137 employment practices, and all other operations and (ii) does not charge tuition.

138 14. In the case of a residential charter school for at-risk students, a description of (i) the residential 139 program, facilities, and staffing; (ii) any parental education and after-care initiatives; (iii) the funding 140 sources for the residential and other services provided; and (iv) any counseling or other social services 141 to be provided and their coordination with any current state or local initiatives.

142 15. Disclosure of any ownership or financial interest in the public charter school, by the charter 143 applicant and the governing body, administrators, and other personnel of the proposed public charter 144 school, and a requirement that the successful applicant and the governing body, administrators, and 145 other personnel of the public charter school shall have a continuing duty to disclose such interests 146 during the term of any charter.

147 C. The charter applicant shall include in the proposed agreement the results of any Board of 148 Education review of the public charter school application that may have been conducted as provided in 149 subsection D of § 22.1-212.9.

150 § 22.1-212.9. Review of public charter school applications.

A. Public charter school applications shall be received and reviewed by local school boards or, in the 151 152 case of a regional public charter school, by all of the relevant school boards.

153 Each local school board shall establish procedures for receiving, reviewing, and ruling upon 154 applications and shall make a copy of any such procedures available to all interested parties upon 155 request. If any such board finds the public charter school application is incomplete, the board shall 156 request the necessary information from the charter applicant.

157 B. To provide appropriate opportunity for input from parents, teachers, and other interested parties 158 and to obtain information to assist local school boards in their decisions to grant a public charter school 159 application, local school boards may establish a procedure for public notice, comment, or hearings on 160 public charter school applications. 161

C. [Repealed.]

162 D. The public charter school applicant may submit its proposed charter agreement to the Board of 163 Education for review and comment. The Board's review shall examine such applications for feasibility, 164 curriculum, financial soundness, and other criteria as the Board may establish, but shall not consider 165 whether the application shall be approved by the local school board.

166 § 22.1-212.11. Public charter school restrictions.

167 A. Local In establishing public charter schools within the division, local school boards may establish 168 public charter schools within the school division and shall be authorized to limit the number of schools so established; however, the total number of public charter schools, including those designed to increase 169 170 educational opportunities for at-risk pupils but not including any regional public charter schools, shall 171 not exceed ten percent of the school division's total number of schools or two public charter schools, 172 whichever is greater. Priority shall be givenshall give priority to public charter school applications designed to increase the educational opportunities of at-risk students, and at least one-half of the public 173 174 charter schools per division shall be for at-risk particularly those at-risk students currently served by 175 schools that have not achieved full accreditation.

176 B. Local school boards shall report the grant or denial of public charter school applications to the 177 Board and shall specify the maximum number of charters that may be authorized, if any; the number of 178 charters granted or denied, and the reasons for any such denials; and whether a public charter school is 179 designed to increase the educational opportunities of at-risk students or any students served by schools 180 that have not achieved full accreditation.

181 The Board of Education shall report annually to the General Assembly the number of public charter 182 school applications granted and denied, and the reasons for any such denials.

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183 C. Nothing in this article shall be construed to prevent a school that is the only school in the division from applying to become a public charter school.

185 § 22.1-212.12. Public charter school term; renewals and revocations.

A. A charter may be approved or renewed for a period not to exceed three *five* school years. A public charter school renewal application submitted to the local school board or, in the case of a regional public charter school, to the relevant school boards shall contain:

189 1. A report on the progress of the public charter school in achieving the goals, objectives, program and performance standards for students, and such other conditions and terms as the school board or boards may require upon granting initial approval of the charter application.

192 2. A financial statement, on forms prescribed by the Board, that discloses the costs of administration,
193 instruction, and other spending categories for the public charter school and that has been concisely and
194 clearly written to enable the school board or boards and the public to compare such costs to those of
195 other schools or comparable organizations.

**196** B. Local school boards may revoke a charter if the public charter school:

197 1. Violates the conditions, standards, or procedures established in the public charter school 198 application;

199 2. Fails to meet or make reasonable progress toward achievement of the content standards or student200 performance standards identified in the charter application;

3. Fails to meet generally accepted standards of fiscal management; or

4. Violates any provision of law from which the public charter school was not specifically exempted.

A charter may be revoked if the local school board determines, in its discretion, that it is not in the public interest or for the welfare of the students within the school division to continue the operation of the school or, in the case of a regional public charter school, to continue its participation in the operation of the school.

207 C. Nothing in this section shall be construed to restrict the authority of local school boards to decline208 to renew a charter agreement.

209 2. That the provisions of this act shall expire on July 1, 2009.