



## **THE LAW, POLICY, AND PROCEDURES GOVERNING THE OVERSIGHT AND REVIEW OF BESE- AUTHORIZED CHARTER SCHOOLS**

August 2010

The quality of charter schools in a state or district is directly related to the quality of the charter school authorizer and its policies for application, monitoring, and renewal or revocation of the charter. The continual oversight and review of schools over the term of their charter is necessary for two reasons. Most importantly, the information and data gleaned from the oversight and review processes is vital for the authorizer to make quality, fact-based decisions about the extension, renewal, or revocation of a charter. Continual oversight over the term of a school's charter is also needed to catch deficiencies in operations and academics early on. This allows problems to be addressed by the authorizer and corrected by the operator before revocation or non-renewal of the charter is unavoidable.

The charter schools authorized by Louisiana Board of Elementary and Secondary Education (BESE) are subject to regular reviews by the Charter Schools Office (CSO) at the Louisiana Department of Education (LDE). As the number of these schools continues to expand across the state, a thorough understanding of the laws and policies that govern the oversight and review processes is important for BESE, the CSO, and the charter school operators who are subject to these reviews. In this brief, the Louisiana Department of Education's Charter Schools Office and the Cowen Institute for Public Education Initiatives will review Louisiana law and BESE policies and Louisiana Department of Education (LDE) Charter School Office (CSO) administrative procedures on the oversight and review of BESE-authorized charter schools.

### **Louisiana Charter Law on the Oversight and Review of Charter Schools**

Louisiana's charter school law makes minimal provisions for the oversight and review of charter schools. The law's only explicit requirement is that schools submit an annual progress report to BESE.<sup>i</sup> With the exception of that mandate, creation of the remainder of the oversight and review policies and procedures lies with the charter school authorizer. For BESE-authorized schools, the law states that BESE shall "determine the policy and provide direction of the state Department of Education for providing the oversight of the operation of charter schools chartered with the board."<sup>ii</sup> BESE, in its role, does not have the statutory authority to promulgate policy for charter schools authorized by local school boards. While local authorizers are required to follow state law, they are given wide latitude to design their own requirements, policies, and procedures in all phases of chartering. With such freedom, local school boards have the ability to adopt BESE's policy as their own in whole or in part.

### **BESE Policy on the Oversight and Review of Charter Schools**

BESE policy provides for the ongoing review of charter schools on an annual basis in three areas of performance: academic, financial, and legal and contractual.<sup>iii</sup> Each January BESE receives a report on the charter schools' performance, the contents of which will be used to make decisions about charter extensions or revocations. This annual report is in addition to the ongoing reporting requirements required of schools by the LDE, including quarterly financial reports. All annual evaluations and decisions

on extensions and renewals are based heavily on whether or not a school meets its student performance standards.

Each year of a charter’s term, the evaluation of financial performance remains the same. Financial indicators and the performance standards that must be met are described in the following table.

<b>Indicator</b>	<b>Standard</b>
Prior and Current Year Budgets	Both budgets balanced using realistic and responsible assumptions
Annual Financial Report	Timely and sufficient filing
Financial Audit	Unqualified opinion; no major findings
Financial Obligations	All in good standing
Financial Reporting	Timely and sufficient filing of all LDOE-required financial reports
Student Count Audit	No major findings from LDOE audit staff

In academic, financial, or legal reporting, a finding is considered “major” if it indicates “a deliberate act of wrongdoing, reckless conduct, or causes the loss of confidence in the abilities or integrity of the school or seriously jeopardizes the continued operation of the school.”<sup>iv</sup> Financial obligations include loan payments, payroll taxes, and insurance coverage among other things.

Likewise, evaluation on legal and contractual performance remains the same throughout the charter term. Though BESE is not limited to this list when evaluating a charter school, all schools are evaluated on the following indicators: Special Education and ELL Program, Student Enrollment, Student Discipline, Health and Safety, Governance, and Facilities. The standard they are required to meet is that “pursuant to applicable law and regulation and contract provisions.” Other requirements listed in the school’s contract are also subject to consideration. A legal or contractual standard is considered not met if evidence indicates a major finding of the same nature and severity as in the financial evaluation.<sup>v</sup>

While these standards remain constant over a charter’s term, evaluation of student performance, and the standards a school must meet, vary according to the number of years it has been in operation. In the fall of its first year of operation (Year One), the LDE may provide a charter school with a diagnostic assessment index based on the previous year’s spring testing. However, this is not applicable for start-up schools. True academic evaluation cannot begin until Year Two, when test results from the prior year are available. From Year Two through Year Five, the evaluation process is as follows.

*Year Two*

- The school receives an Assessment Index (AI) based on Year One test data which is reported in January. This represents a baseline for student achievement and is called the “Assessment Index Year One.”

*Year Three*

- In January of a school’s third year of operation, its academic performance is evaluated based upon the Assessment Index Year Two (AI), and the Baseline School Performance Score (SPS), calculated the previous fall and based upon Year Two data. One of the following standards must be met:

<b>Indicator (January)</b>	<b>Standard</b>
Baseline SPS	60.0 or Above
Assessment Index Year Two	60.0 or Above

- The June following Year Three, should it be necessary because the charter school did not meet the January standards to receive an extension, the Assessment Index Year Three will be calculated using data from that spring. This AI, along with the increase of the AI since Year One and the Required Growth (the increase in the AI required when comparing one school year to the next), are used to determine whether or not the charter will be extended and the length of that extension. Charters which are granted only a one-year extension are considered to be on probationary status. One of the following standards must be met:

<b>Indicator (June)</b>	<b>Standard</b>
Assessment Index Year Three	60.0 or Above
Assessment Index Increase Over Two Year Period	10 Points
Required Growth	10 Points

*Year Four*

- In January of a school's fourth year of operation, were it placed on probation the year prior and only given a one-year extension, its academic performance is evaluated based upon the Baseline School Performance Score, the Growth School Performance Score and the Assessment Index Year Three. These are based on Year Three data. One of the following standards must be met:

<b>Indicator (January)</b>	<b>Standard</b>
Baseline SPS (Elementary and Combination Schools)	60.0 or Above
Growth SPS	Meet Growth Target as Determined Pursuant to Bulletin 111
Assessment Index Year Three (High Schools)	60.0 or Above

- The June following Year Four, should it be necessary because the charter school did not meet the January standards to receive an extension, the Assessment Index Year Four will be calculated using data from that spring. This AI, along with the Required Growth, is used to determine whether or not the charter will be extended for an additional year. One of the following standards must be met:

<b>Indicator (June)</b>	<b>Standard</b>
Assessment Index Year Four	60.0 or Above
Required Growth	10 Points

*Year Five*

- In January of a school's fifth year of operation, its academic performance is evaluated based upon the Baseline School Performance Score, the Growth School Performance Score, and the Assessment Index Year Four. These are based on Year Four data. The standards that must be met are:

<b>Indicator (January)</b>	<b>Standard</b>
Baseline SPS (Elementary and Combination Schools)	60.0 or Above
Growth SPS	Meet Growth Target as Determined Pursuant to Bulletin 111
Assessment Index Year Three (High Schools)	60.0 or Above

- The data calculated in January is the last academic performance data considered before the Year Five charter renewal decision is made by BESE.

In a charter school’s sixth year of operation and every year thereafter, academic performance is evaluated on the Baseline SPS and Growth SPS for elementary and combination schools, and the Assessment Index for high schools based on the previous year’s data until the SPS can be calculated.

BESE policy also allows for alternative evaluation systems to be put into place for schools that serve either a unique population or grades that do not participate in the state’s accountability system. In these instances, a school’s charter contract will provide for another manner of evaluating the school’s performance.

### **CSO Administrative Procedure on the Oversight and Review of Charter Schools**

In addition to BESE’s reporting requirements, the CSO recently released two memoranda with additional reporting requirements and review procedures for schools applying for their extension in Year Three or their renewal in Year Five. According to the first memorandum, “Reporting Requirements for Charter Extensions,”<sup>vi</sup> in addition to the legally mandated Year Three comprehensive report,<sup>vii</sup> schools are also required to go through a School Performance Review and School Site Visit that year. The School Performance Review described in the memorandum appears to be no different than the review process already described in BESE policy. The School Site Visit occurs on a single day in which an evaluation team documents observed quality practices, school operations, and classroom and overall procedures. This memorandum also describes the format and timeline for the submission of the Year Three comprehensive report.

The second memorandum, “Reporting Requirements for Charter Renewal,” specifies the content and format of the report that schools must submit to request renewal in Year Five. Content should include annual reports and supportive documentation of academic, financial, and legal and contractual performance as well as “other positive aspects of [your] school and students, such as community involvement, parental involvement, or extracurricular activities.”<sup>viii</sup> The memo does not specify whether this renewal report is submitted in addition to or in place of the standard annual reporting requirements.

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<sup>i</sup> La. RS 17:3992

<sup>ii</sup> La. RS 17:3981

<sup>iii</sup> The Louisiana Administrative Code, Title 28, Education, Part I. Board of Elementary and Secondary Education, Part CXXXIX., *Bulletin 126 – Charter Schools*, March 2010.

<sup>iv</sup> Ibid.