

# Understanding the Charter Contract

Training for CSI School Governing Boards



# Objective

- After completing this training, governing board members will:
  - have a general understanding the charter contract, including why it exists, what it contains and how it can be modified to reflect changes at the school.





# What is the charter contract?

- A legally binding agreement between the school governing board (the entity that holds the charter) and CSI Board.
- Stipulates the terms and conditions by which the school will operate and defines and rights and responsibilities of each party.

**It is not...**

simply an approved charter application.





# Are all contracts the same?

- Many of the terms and provisions in the contract are consistent or similar for all CSI schools.
- However, there are specific terms that CSI negotiates with each school.





# A Note on Contract Negotiation

“All negotiations between the institute charter school and the institute on the charter contract shall be concluded, and all terms of the charter contract agreed upon, no later than forty-five days after the institute board approves the application for an institute charter school.”

C.R.S. 22-30.5-510





# Twelve Sections

1. Recitals
2. Establishment of the School
3. Institute-School Relationship
4. School Governance
5. Operation of School and Waivers
6. Enrollment and Demographics
7. Educational Program
8. Financial Matters
9. Personnel
10. Facilities
11. Renewal, Revocation and Closure
12. General Provisions





# Key components

## Recitals (Sec. 1)

- The recitals affirm the legal authority of the authorizer and charter school to enter into a contract and the circumstances under which the contract is being entered.





# Key components

## Establishment of the School (Sec. 2)

- Establishes the school's legal status and the term of the contract
  - Contracts are awarded for limited, renewable terms, typically between three and five years
  - The CSI Board can revoke a school contract prior to the end of the term or choose not to renew a contract







# Key components

## Institute-School Relationship (Sec. 3)

- Establishes CSI's oversight authority
- Establishes requirements for authorizer-school communications
- Outlines procedures for dispute resolution, contract breaches and contract nonrenewal and revocation





# Key components

## Governance (Sec. 4)

- The school board must be incorporated as a Colorado Nonprofit Corporation
- The school board members are fiduciaries of the School and must operate in accordance with the School's Articles of Incorporation and Bylaws
- The school is subject to the Colorado Sunshine Act and the Colorado Open Records Act
- The board must adopt a conflict of interest and grievance policy that meet established requirements





# Key components

## Operation of School (Sec. 5)

- Sets forth key operational terms ranging from performance evaluations, insurance requirements, and charter school waivers
- Also sets forth transportation and food service offerings as determined by the school and approved by CSI during the application process





# Key components

## Enrollment and Demographics (Sec. 6)

- Establishes expectations and requirements for student enrollment, including:
  - Grade levels served
  - Continuing enrollment
  - Denial of admission

*Recruitment and enrollment decisions must be made in a nondiscriminatory manner. Material changes to the school's enrollment policy must be approved by CSI.*





# Key components

## Educational Program (Sec. 7)

- Defines key terms and requirements related to the school's educational program, including the school vision and mission, calendar, curriculum, instructional program, services for exceptional students, and discipline and safety policies
- Also establishes the school's intent to contract with an Educational Service Provider and offer online programming, as determined by the school and approved by CSI during the application process
- Outlines accountability framework





# Key components

## Financial Matters (Sec. 8)

- Defines key funding processes and provisions, and the financial responsibilities of CSI and the school.





# Key components

## Personnel (Sec. 9)

- Outlines requirements for school employees, including, staff qualifications, fingerprinting and background checks and the adoption of personnel policies.





# Key components

## Facilities (Sec. 10)

- Establishes the school location and provides that the school may not add a location, change a location or geographic district, or enter into any financing, leasing or other arrangements without prior written notification to the Institute.
- Establishes related requirements related to owning or leasing a school building.







# Key components

## Renewal, Non-renewal, Revocation, and School-Initiated Closure (Sec. 11)

- Establishes requirements for charter renewal.
- Provides that the CSI Board can revoke a school contract prior to the end of the term or choose not to renew a contract for grounds established in state law.
- Outlines requirements for school-initiated closure, dissolution and handling of assets or property.
- Appeal procedures





# Key components

## General Provisions (Sec. 12)

- Sets forth additional terms regarding the contract, including the precedence of federal and state laws, regulations, requirements over the contract as well as CSI policies and requirements for amendments and notices.





# Key components

## Exhibits

- Resolution approving the charter application
- Articles of Incorporation and Bylaws
- Requested Waivers
- Milestones
- Enrollment Procedures

Changes to any of these items outside of contract approval must be communicated to CSI and may require a contract amendment.





# Charter modification process

## (Sec 3.3)

- Provides Institute schools with a format to submit or propose changes to the Institute School's charter and, when necessary, the charter contract.





# Charter modification: immaterial changes

- Name\*
- Location (additional facility, change of facility, new financing/leasing arrangement)\*
- Articles of Incorporation and bylaws
- Budget (as updates are made, send to DavidSever@csi.state.co.us)
- School calendar/ hours (as updates are made, send to submissions\_CSI@csi.state.co.us)
- Significant changes to organizational structure
- Handbook
- Enrollment policies and procedures

\*A change to an item marked with an (\*) does not require formal Institute approval but will result in a contract amendment.





# Charter modification: material changes

- Mission and vision\*
- Insurance coverage (reduction in coverage)\*
- Enrollment changes (including grade changes and expansion)\*
- Food services \*
- Transportation (including the addition of regular school-to-home, home-to-school transportation or purchase of transportation vehicle)\*
- Education Program (overall school model, e.g., Montessori, Classical, Language Immersion, etc.)
- Curriculum, instructional program and pupil performance standards
- Education Service Provider (addition of or material change in services provided by an education service provider, including revisions to the management contract)\*
- Program Plans (IEP, 504, GT, ELL)
- Interim Assessments
- Addition of an online program\*
- Addition of other special programs (homeschool, before-and-after-school care, etc.)
- Safety Plan
- Grievance policy
- Non-automatic waiver request\*

A change to an item marked with an (\*) will result in a contract amendment.





# Charter Modification Form

Please be prepared to:

- identify the proposed material modification,
- describe the material modification,
- describe the rationale for the material modification, and
- describe all considered impacts (academic, organizational, financial) of the proposed material modification.

## **Resources:**

<https://resources.csi.state.co.us/charter-modification/>





# Questions for Boards

- Have we taken the time to review and understand our existing charter contract with CSI?
- Do we understand our agreed upon tasks/ responsibilities?
- Have we made, or do we intend to make, any changes to our educational program that may impact the contract and require notification to, or approval from, CSI?







# Resources

## Charter School Contracts

[https://www.qualitycharters.org/wp-content/uploads/2015/11/PolicyGuide\\_CharterSchoolContracts\\_2009.10.pdf](https://www.qualitycharters.org/wp-content/uploads/2015/11/PolicyGuide_CharterSchoolContracts_2009.10.pdf)

## CSI Governance Resource Page

<https://resources.csi.state.co.us/school-board-governance/>

## CSI Legal and Policy Resource Page

<https://resources.csi.state.co.us/legal-and-policy-library/>





# Thanks!

Any questions?

Contact me at:

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