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<http://sde.state.ok.us/Schools/CharterSch/pdf/CharterSchAct.pdf>

### **Section 42.14. Application of Charter Schools Act. (2010 Version 1)**

A. The Oklahoma Charter Schools Act shall apply only to charter schools formed and operated under the provisions of the act. Charter schools shall be sponsored only as follows:

1. By a school district with an average daily membership of five thousand (5,000) or more and which all or part of the school district is located in a county having more than five hundred thousand (500,000) population according to the latest Federal Decennial Census;
2. By a school district which has a school site listed on the school improvement list as determined by the State Board of Education pursuant to the Elementary and Secondary Education Act of 1965, as amended or reauthorized;
3. By a technology center school district if the charter school is located in a school district served by the technology center school district and the school district has an average daily membership of five thousand (5,000) or more and which all or part of the school district is located in a county having more than five hundred thousand (500,000) population according to the latest Federal Decennial Census;
4. By a technology center school district if the charter school is located in a school district served by the technology center school district and the school district has a school site listed on the school improvement list as determined by the State Board of Education pursuant to the Elementary and Secondary Education Act of 1965, as amended or reauthorized;
5. By a comprehensive or regional institution that is a member of The Oklahoma State System of Higher Education if the charter school is located in a school district that has an average daily membership of five thousand (5,000) or more and which all or part of the school district is located in a county having more than five hundred thousand (500,000) population according to the latest Federal Decennial Census. In addition, the institution shall have a teacher education program accredited by the Oklahoma Commission for Teacher Preparation and have a branch campus or constituent agency physically located within the school district in which the charter school is located;
6. By a comprehensive or regional institution that is a member of The Oklahoma State System of Higher Education if the charter school is located in a school district that has a school site listed on the school improvement list as determined by the State Board of Education pursuant to the Elementary and Secondary Education Act of 1965, as amended or reauthorized. In addition, the institution shall have a teacher education program accredited by the Oklahoma Commission for Teacher Preparation and have a branch campus or constituent agency physically located within the school district in which the charter school is located; or
7. By the State Board of Education only when the applicant of the charter school is the Office of Juvenile Affairs and the charter school is for the purpose of providing education services to youth in the custody or supervision of the Office of Juvenile Affairs. Not more than one charter school shall be sponsored by the Board as provided for in this paragraph during the period of time beginning July 1, 2010, through July 1, 2016.

B Any charter or enterprise school operating in the state pursuant to an agreement with the board of education of a school district on July 1, 1999, may continue to operate pursuant to that agreement or may contract with the board of education of the school district pursuant to the Oklahoma Charter Schools Act. Nothing in the Oklahoma Charter Schools Act shall prohibit a school district from applying for exemptions from certain education-related statutory requirements as provided for in the Educational Deregulation Act.

C. For purposes of the Oklahoma Charter Schools Act, "charter school" means a public school established by contract with a board of education of a school district, an area vocational-technical school district, a higher education institution, or the State Board of Education pursuant to the Oklahoma Charter Schools Act to provide learning that will improve student achievement and as defined in the Elementary and Secondary Education Act of 1965, 20 U.S.C. 8065.

D. A charter school may consist of a new school site, new school sites or all or any portion of an existing school site. An entire school district may not become a charter school site. **(70-3-132)**

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**Note:** Amended by HB 2753, Sec. 1 of the 2010 Reg. Sess. Effective November 1, 2010.

**Note:** Multiple Amendments enacted in 2010; both versions printed above.

### **Section 42.14. Application of Charter Schools Act. (2010 Version 2)**

A. The Oklahoma Charter Schools Act shall apply only to charter schools formed and operated under the provisions of the act. **Charter schools shall be sponsored** only as follows:

1. **By a school district** with an average daily membership of five thousand (5,000) or more and which all or part of the school district is located in a county having more than five hundred thousand (500,000) population according to the latest Federal Decennial Census;
2. By a school district which has a school site listed on the school improvement list as determined by the State Board of Education pursuant to the Elementary and Secondary Education Act of 1965, as amended or reauthorized;
3. By a technology center school district if the charter school is located in a school district served by the technology center school district and the school district has an average daily membership of five thousand (5,000) or more and which all or part of the school district is located in a county having more than five hundred thousand (500,000) population according to the latest Federal Decennial Census;
4. By a technology center school district if the charter school is located in a school district served by the technology

center school district and the school district has a school site listed on the school improvement list as determined by the State Board of Education pursuant to the Elementary and Secondary Education Act of 1965, as amended or reauthorized;

5. By a comprehensive or regional institution that is a member of The Oklahoma State System of Higher Education if the charter school is located in a school district that has an average daily membership of five thousand (5,000) or more and which all or part of the school district is located in a county having more than five hundred thousand (500,000) population according to the latest Federal Decennial Census. In addition, the institution shall have a teacher education program accredited by the Oklahoma Commission for Teacher Preparation and have a branch campus or constituent agency physically located within the school district in which the charter school is located;

6. By a comprehensive or regional institution that is a member of the Oklahoma State System of Higher Education if the charter school is located in a school district that has a school site listed on the school improvement list as determined by the State Board of Education pursuant to the Elementary and Secondary Education Act of 1965, as amended or reauthorized. In addition, the institution shall have a teacher education program accredited by the Oklahoma Commission for Teacher Preparation and have a branch campus or constituent agency physically located within the school district in which the charter school is located; or

7. By a federally recognized Indian tribe, operating a high school under the authority of the Bureau of Indian Affairs as of the effective date of this act, if the charter school is for the purpose of demonstrating native language immersion instruction, and is located within its former reservation or treaty area boundaries. For purposes of this paragraph, native language immersion instruction shall require that educational instruction and other activities conducted at the school site are primarily conducted in the native language.

B. Any charter or enterprise school operating in the state pursuant to an agreement with the board of education of a school district on July 1, 1999, may continue to operate pursuant to that agreement or may contract with the board of education of the school district pursuant to the Oklahoma Charter Schools Act. Nothing in the Oklahoma Charter Schools Act shall prohibit a school district from applying for exemptions from certain education-related statutory requirements as provided for in the Educational Deregulation Act.

C. For purposes of the Oklahoma Charter Schools Act, "charter school" means a public school established by contract with a board of education of a school district, an area vocational-technical school district, a higher education institution, or a federally recognized Indian tribe pursuant to the Oklahoma Charter Schools Act to provide learning that

will improve student achievement and as defined in the Elementary and Secondary Education Act of 1965, 20 U.S.C. 8065.

D. A charter school may consist of a new school site, new school sites or all or any portion of an existing school site. An entire school district may not become a charter school site. **(70-3-132)**

**Note:** Amended by SB 1862, Sec. 1 of the 2010 Reg. Sess. Effective November 1, 2010.

**Note:** Multiple Amendments enacted in 2010; both versions printed above.

## **Section 42.16. Written Proposal. (2010 Version 2)**

A. For written applications filed after January 1, 2008, prior to submission of the application to a proposed sponsor seeking to establish a charter school, the applicant shall be required to complete training which shall not exceed ten (10) hours provided by the State Department of Education on the process and requirements for establishing a charter school. The Department shall develop and implement the training by January 1, 2008. The Department may provide the training in any format and manner that the Department determines to be efficient and effective including, but not limited to, webbased training.

B. Except as otherwise provided for in Section 3-137 of this title, an applicant seeking to establish a charter school shall submit a written application to the proposed sponsor as prescribed in subsection E of this section. The application shall include:

1. A mission statement for the charter school;
2. A description of the organizational structure and the governing body of the charter school;
3. A financial plan for the first three (3) years of operation of the charter school and a description of the treasurer or other officers or persons who shall have primary responsibility for the finances of the charter school. Such person shall have demonstrated experience in school finance or the equivalent thereof;
4. A description of the hiring policy of the charter school;
5. The name of the applicant or applicants and requested sponsor;
6. A description of the facility and location of the charter school;
7. A description of the grades being served;
8. An outline of criteria designed to measure the effectiveness of the charter school;
9. A demonstration of support for the charter school from residents of the school district which may include but is not limited to a survey of the school district residents or a petition signed by residents of the school district; and
10. Documentation that the applicants completed charter school training as set forth in subsection A of this section.

C. A board of education of a public school district, public body, public or private college or university, private person, or private organization may contract with a sponsor to establish a charter school. A private school shall not be eligible to contract for a charter school under the provisions of the Oklahoma Charter Schools Act.

D. The sponsor of a charter school is the board of education of a school district, the board of education of a

technology center school district, a higher education institution, or a federally recognized Indian tribe which meets the criteria established in Section 3-132 of this title. Any board of education of a school district in the state may sponsor one or more charter schools. The physical location of a charter school sponsored by a board of education of a school district or a technology center school district shall be within the boundaries of the sponsoring school district.

E. An applicant for a charter school may submit an application to a proposed sponsor which shall either accept or reject sponsorship of the charter school within ninety (90) days of receipt of the application. If the proposed sponsor rejects the application, it shall notify the applicant in writing of the reasons for the rejection. The applicant may submit a revised application for reconsideration to the proposed sponsor within thirty (30) days after receiving notification of the rejection. The proposed sponsor shall accept or reject the revised application within thirty (30) days of its receipt.

F. A sponsor of a charter school shall notify the State Board of Education when it accepts sponsorship of a charter school. The notification shall include a copy of the charter of the charter school.

G. If a proposed sponsor rejects the revised application for a charter school, the applicant may proceed to mediation or binding arbitration or both mediation and binding arbitration as provided in the Dispute Resolution Act and the rules promulgated pursuant thereto. The applicant shall contact the early settlement program for the county in which the charter school would be located. If the parties proceed to binding arbitration, a panel of three arbitrators shall be appointed by the director of the early settlement program handling the dispute. The proposed sponsor shall pay the cost for any mediation or arbitration requested pursuant to this section.

H. If a board of education of a technology center school district, a higher education institution, or a federally recognized Indian tribe accepts sponsorship of a charter school, the administrative, fiscal and oversight responsibilities of the technology center school district, the higher education institution, or the federally recognized Indian tribe shall be listed in the contract. No responsibilities shall be delegated to a school district unless the local school district agrees to assume the responsibilities. **(70-3-134)**

**Note:** Amended by SB 1862, Sec. 2 of the 2010 Reg. Sess. Effective November 1, 2010.

**Note:** Multiple Amendments enacted in 2010; both versions printed above.

While binding arbitration is provided for in the Charter Schools Act, it is legally impossible for it to take place in the absence of rules and regulations governing the procedure provided by the Dispute Resolution Act. The Dispute Resolution Act contains no provisions for binding arbitration. *Pentagon Academy v. ISD No. 1 of Tulsa County*, 2003 OK 98, 82 P.3d 587.

The Oklahoma Charter Schools Act does not violate the doctrine that the Legislature may not delegate its powers to private organizations or persons, as the Legislature retains its authority to provide for a free public education as required by Okla. Const. art. XIII, § 1, and as the Act contains specific statutory standards for charter schools. *August 22, 2007 (AG Op. No. 07-23)*

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### **Section 42.17. Written Contract for Charter School.**

A. The sponsor of a charter school shall enter into a written contract with the governing body of the charter school. The contract shall incorporate the provisions of the charter of the charter school and contain, but shall not be limited to, the following provisions:

1. A description of the program to be offered by the school which complies with the purposes outlined in Section 11 of this act;
2. Admission policies and procedures;
3. Management and administration of the charter school;
4. Requirements and procedures for program and financial audits;
5. A description of how the charter school will comply with the charter requirements set forth in the Oklahoma Charter Schools Act;
6. Assumption of liability by the charter school; and
7. The term of the contract.

B. A charter school shall not enter into an employment contract with any teacher or other personnel until the charter school has a contract with a sponsoring school district. The employment contract shall set forth the personnel policies of the charter school, including, but not limited to, policies related to certification, professional development evaluation, suspension, dismissal and nonreemployment, sick leave, personal business leave, emergency leave, and family and medical leave. The contract shall also specifically set forth the salary, hours, fringe benefits, and work conditions. The contract may provide for employer-employee bargaining, but the charter school shall not be required to comply with the provisions of Sections 509.1 through 509.10 of Title 70 of the Oklahoma Statutes. The contract shall conform to all applicable provisions set forth in Section 11 of this act.

Upon contracting with any teacher or other personnel, the governing body of the charter school shall, in writing, disclose employment rights of the employees in the event the charter school closes or the charter is not renewed.

**(70-3-135)**

### **Section 42.18. Charter Requirements.**

A. A charter school shall adopt a charter which will ensure compliance with the following:

1. A charter school shall comply with all federal regulations and state and local rules and statutes relating to health, safety, civil rights and insurance. By January 1, 2000, the State Department of Education shall prepare a list of relevant rules and statutes which a charter school must comply with as required by this paragraph and shall annually provide an update to the list;

2. A charter school shall be nonsectarian in its programs, admission policies, employment practices, and all other operations. A sponsor may not authorize a charter school or program that is affiliated with a nonpublic sectarian school or religious institution;
  3. The charter school may provide a comprehensive program of instruction for a pre kindergarten program, a kindergarten program or any grade between grades one and twelve. Instruction may be provided to all persons between the ages of four (4) and twenty-one (21) years. A charter school may offer a curriculum which emphasizes a specific learning philosophy or style or certain subject areas such as mathematics, science, fine arts, performance arts, or foreign language. The charter of a charter school which offers grades nine through twelve shall specifically address whether the charter school will comply with the graduation requirements established in Section 11-103.6 of this title. No charter school shall be chartered for the purpose of offering a curriculum for deaf or blind students that is the same or similar to the curriculum being provided by or for educating deaf or blind students that are being served by the Oklahoma School for the Blind or the Oklahoma School for the Deaf;
  4. A charter school shall participate in the testing as required by the Oklahoma School Testing Program Act and the reporting of test results as is required of a school district. A charter school shall also provide any necessary data to the Office of Accountability;
  5. Except as provided for in the Oklahoma Charter Schools Act and its charter, a charter school shall be exempt from all statutes and rules relating to schools, boards of education, and school districts;
  6. A charter school, to the extent possible, shall be subject to the same reporting requirements, financial audits, audit procedures, and audit requirements as a school district. The State Department of Education or State Auditor and Inspector may conduct financial, program, or compliance audits. A charter school shall use the Oklahoma Cost Accounting System to report financial transactions to the sponsoring school district;
  7. A charter school shall comply with all federal and state laws relating to the education of children with disabilities in the same manner as a school district;
  8. A charter school shall provide for a governing body for the school which shall be responsible for the policies and operational decisions of the charter school;
  9. A charter school shall not be used as a method of generating revenue for students who are being home schooled and are not being educated at an organized charter school site;
  10. A charter school may not charge tuition or fees;
  11. A charter school shall provide instruction each year for at least the number of days required in Section 1-109 of this title;
  12. A charter school shall comply with the student suspension requirements provided for in Section 24-101.3 of this title;
  13. A charter school shall be considered a school district for purposes of tort liability under the Governmental Tort Claims Act;
  14. Employees of a charter school may participate as members of the Teachers' Retirement System of Oklahoma in accordance with applicable statutes and rules if otherwise allowed pursuant to law;
  15. A charter school may participate in all health and related insurance programs available to the employees of the sponsor of the charter school;
  16. A charter school shall comply with the Oklahoma Open Meeting Act and the Oklahoma Open Records Act; and
  17. The governing body of a charter school shall be subject to the same conflict of interest requirements as a member of a local school board.
- B. The charter of a charter school shall include a description of the personnel policies, personnel qualifications, and method of school governance, and the specific role and duties of the sponsor of the charter school.
  - C. The charter of a charter school may be amended at the request of the governing body of the charter school and upon the approval of the sponsor.
  - D. A charter school may enter into contracts and sue and be sued.
  - E. The governing body of a charter school may not levy taxes or issue bonds.

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F. The charter of a charter school shall include a provision specifying the method or methods to be employed for disposing of real and personal property acquired by the charter school upon expiration or termination of the charter or failure of the charter school to continue operations. Except as otherwise provided, any real or personal property purchased with state or local funds shall be retained by the sponsoring school district. If a charter school that was previously sponsored by the board of education of a school district continues operation within the school district under a new charter sponsored by an entity authorized pursuant to Section 3-132 of this title, the charter school may retain any personal property purchased with state or local funds for use in the operation of the charter school until termination of the new charter or failure of the charter school to continue operations. **(70-3-136)**

Charter schools are not required to offer alternative education programs. *February 15, 2000 (AG Op. No. 00-12).*

Charter schools are exempt from mandated core curriculum requirements. *September 27, 1999 (AG Op. No. 99-64).*

### **Section 42.19. Term of Contract, Renewal, and Termination.**

A. An approved contract for a charter school shall be effective for not longer than five (5) years from the first day of operation. Prior to the beginning of the fifth year of operation, the charter school may apply for renewal of the

contract with the sponsor. The sponsor may deny the request for renewal if it determines the charter school has failed to complete the obligations of the contract or comply with the provisions of the Oklahoma Charter Schools Act. A sponsor shall give written notice of its intent to deny the request for renewal at least eight (8) months prior to expiration of the contract.

B. If a sponsor denies a request for renewal, the governing board may proceed to mediation or binding arbitration or both as provided for in subsection G of Section 3-134 of this title.

C. A sponsor may terminate a contract during the term of the contract for failure to meet the requirements for student performance contained in the contract, failure to meet the standards of fiscal management, violations of the law, or other good cause. The sponsor shall give at least ninety (90) days' written notice to the governing board prior to terminating the contract. The governing board may request, in writing, an informal hearing before the sponsor within fourteen (14) days of receiving notice. The sponsor shall conduct an informal hearing before taking action. If a sponsor decides to terminate a contract, the governing board may proceed to mediation or binding arbitration or both as provided for in subsection G of Section 3-134 of this title.

D. If a contract is not renewed, the governing board of the charter school may submit an application to a proposed new sponsor as provided for in Section 3-134 of this title.

E. If a contract is not renewed or is terminated according to this section, a student who attended the charter school may enroll in the resident school district of the student or may apply for a transfer in accordance with Section 8-103 of this title. **(70-3-137)**

### **Section 42.24. Funding of Charter Schools Section. (2010 Version 2)**

A. For purposes of funding, a charter school sponsored by a board of education of a school district shall be considered a site within the school district in which the charter school is located. The student membership of the charter school shall be considered separate from the student membership of the district in which the charter school is located for the purpose of calculating weighted average daily membership pursuant to Section 18-201.1 of this title and State Aid pursuant to Section 18-200.1 of this title. For charter schools sponsored by a board of education of a school district, the sum of the separate calculations for the charter school and the school district shall be used to determine the total State Aid allocation for the district in which the charter school is located. A charter school shall receive from the sponsoring school district, the State Aid allocation and any other state-appropriated revenue generated by its students for the applicable year, less up to five percent (5%) of the State Aid allocation, which may be retained by the school district as a fee for administrative services rendered. For charter schools sponsored by the board of education of a technology center school district, a higher education institution, or a federally recognized Indian tribe, the State Aid allocation for the charter school shall be distributed by the State Board of Education and not more than five percent (5%) of the total State Aid allocation may be charged by the sponsor as a fee for administrative services rendered. The State Board of Education shall determine the policy and procedure for making payments to a charter school. The fee for administrative

45 services as authorized in this subsection shall only be assessed on the State Aid allocation amount and shall not be assessed on any other appropriated amounts.

B. The weighted average daily membership for the first year of operation of a charter school shall be determined initially by multiplying the actual enrollment of students as of August 1 by 1.333. The charter school shall receive revenue equal to that which would be generated by the estimated weighted average daily membership calculated pursuant to this subsection. At midyear, the allocation for the charter school shall be adjusted using the first quarter weighted average daily membership for the charter school calculated pursuant to subsection A of this section.

C. A charter school shall be eligible to receive any other aid, grants or revenues allowed to other schools. A charter school sponsored by the board of education of a technology center school district, a higher education institution, or a federally recognized Indian tribe shall be considered a local education agency for purposes of funding. A charter school sponsored by a board of education of a school district shall be considered a local education agency for purposes of federal funding.

D. A charter school, in addition to the money received from the state, may receive money from any other source.

Any unexpended nonstate funds, excluding local revenue, may be reserved and used for future purposes. **(70-3-142)**

**Note:** Amended by SB 1862, Sec. 4 of the 2010 Reg. Sess. Effective November 1, 2010 & SB 2212, Sec. 1 of the 2010 Reg. Sess.

**Note:** Multiple Amendments enacted in 2010; both versions printed above.

### **Section 42.25. Annual Report.**

The State Board of Education shall issue an annual report to the Legislature and the Governor outlining the status of charter schools in the state. Each charter school shall annually file a report with the Office of Accountability. The report shall include such information as requested by the Office of Accountability, including but not limited to information on enrollment, testing, curriculum, finances and employees. **(70-3-143)**

### **Section 42.26. Academic Performance Index.**

A. The State Board of Education shall develop an Academic Performance Index (API) to be used to measure performance of schools, including the academic performance of students. The index shall consist of a variety of indicators including, but not limited to:

1. Attendance rates for students;
2. Dropout rates;

3. Results of the Oklahoma School Testing Program administered pursuant to Section 1210.508 of this title;
  4. Advanced Placement participation;
  5. Graduation rates for secondary school students;
  6. Scores of the American College Test (ACT); and
  7. College remediation rates.
- B. The data collected for the API shall be disaggregated, when available, by socioeconomic status and ethnic group. Oklahoma School Testing Program results shall constitute no less than sixty percent (60%) of the value of the index.
- C. Based on the API, the State Board of Education shall adopt expected annual percentage growth targets for the state level, school districts, and all school sites based on their API baseline score. The minimum percentage growth



## **Oklahoma State Department of Education Charter School Policy**

FY2010-2011

The United States Department of Education's *No Child Left Behind Act (NCLB) of 2001*, created stringent accountability requirements through the Title I program when addressing Charter Schools. The manner in which each state implements those requirements is unique to Charter Schools, and varies according to each state's Charter School Law.

In particular, the accountability factors imposed upon Charter Schools through *NCLB's* Title I program were historically challenging, not only for the Charter Schools, but for those entities responsible for ensuring that Charter Schools comply with not only the law, but also the components included within each Charter. (*Charter is actually defined in this writing as the contract containing the obligations and responsibilities of each charter school.*)

The Oklahoma State Department of Education (OSDE) is no stranger to the challenges that local educational agencies have experienced for ensuring that all Charter Schools have met all required and stringent compliance standards contained in the No Child Left Behind Act. The Title I, IIA, VI and X, Child Nutrition, and Special Education offices at *OSDE* have provided professionally sound technical assistance to both Charter Schools and their responsible 'oversight' agencies, such as; local educational agencies or agencies of higher learning. This technical assistance addressed matters pertaining to state and federal requirements. **OSDE has ensured that Charter Schools understand that where federal funds are concerned, all matters pertaining to reaching and maintaining compliance standards for the use of these funds will be thoroughly monitored.**

Presently, for the FY2010-2011 school year, the OSDE is in process of implementing new requirements as established through recent legislation regarding Charter Schools. A new Senate Bill was enacted by the people of the State of Oklahoma and signed by the governor on May 4, 2010. This new legislation was to be enacted as of August 27, 2010. The bill included amendments as found on page number 2.

### **Senate Bill No. 2212:**

*An Act relating to schools; amending 70 O.S. 2001, Section 3-142, as last amended by Section 4, Chapter 257, O.S. L. 2007 (70 O.S. Supp.2009, Section 3-142), which relates to funding of Charter Schools; establishing certain Charter Schools as local education agencies for certain purposes.* Charter Schools may now be considered as their own local education agency for federal funding purposes, and may receive federal grant funding allocations in the same manner as any local education agency in this state. It is the responsibility of the OSDE to ensure that the Charter Schools receive appropriate federal funding allocations for the programs in which they are eligible to participate, and to accompany those allocations with all necessary information that will provide the Charters with a clear understanding of federal program requirements. This, of course, is for the purpose of ensuring that Charter Schools not only meet compliance standards for the use of federal funds, but also maintain compliance.

The State of Oklahoma, for the FY2010-2011 school year, includes a total of sixteen Charter Schools; however, not all schools are participating in federally funded programs. The fifteen Charter Schools participating in receiving federal funds through Title I, Part A, Title I, Part A, ARRA, Special Education and Child Nutrition programs are as follows:

#### **County/District Charter School**

1. 55E011 Santa Fe South Middle School
2. 55E007 Santa Fe South High School
3. 55G001 Santa Fe South Elementary

4. 55E004 ASTEC Charter Schools
5. 55E002 Justice A. W. Seeworth Academy
6. 55E010 Harding Fine Arts Academy
7. 55E009 Marcus Garvey Leadership Charter School
8. 55E012 KIPP Reach College Preparatory School
9. 55E008 Harding Charter Preparatory High School
10. 55E013 Dove Science Academy Elementary School
11. 55E001 Independence Charter Middle School
12. 55E005 Dove Science Academy
13. 55E003 Stanley Hupfeld Academy at Western Village
14. 72G003 Discovery Schools of Tulsa
15. 72G001 Deborah Brown Community School

The participating Charter Schools are now required, due to the newly established Charter legislation, to report '*directly*' to the OSDE in all matters regarding receiving and expending federal funds. The OSDE collaborates with Charter Schools by assisting each school in all required processes and procedures that accompany receiving and expending federal funds.

The following OSDE office areas providing information and technical assistance to Charter Schools regarding federally funded programs are included below:

#### **Title I, IIA, VI and X**

**Title I, IIA, VI and X:** This office will provide technical assistance information necessary to effectively submit federal programs applications and expenditure reports. The first Charter School training provided by this office was held on Tuesday, June 8, 2010. The training covered such topics as; requirements of the new Charter School legislation, Schoolwide and Targeted Assistance program planning, federal programs budgets and applications, and information addressing future training opportunities. Charter Schools may contact the following OSDE staff members when making federal programs inquiries:

**Ms. Andrea Wheeler**, Executive Director of Title I, IIA, VI and X may be contacted for all inquiries regarding Title I, Part A or Title IIA federal programs applications, due dates, plans and timelines at (405) 522-5310.

**Ms. Mary Pearson**, Executive Director of School Support and ARRA, may be contacted for all school improvement issues and ARRA topics, at (405) 522-3253.

**Ms. Jackie Mania**, Director of Turn Around office may be contacted for school improvement issues and Schoolwide and Targeted Assistance plans at (405) 522-3263.

**Dr. Gloria Bayouth**, Senior Grants Consultant may be contacted for issues addressing Charter School claims and MSP Grants at (405) 522-3249.

**Ms. Anna Barger**, Grants Consultant may be contacted for issues addressing class-size reduction and private schools at (405) 522-2213.

**Ms. Amanda Drew**, Coordinator, Neglected and Delinquent Programs, may be contacted for issues addressing neglected, delinquent, or at-risk children and youth at (405) 522-3713.

**Ms. Cara Cusick**, Program Specialist, McKinney-Vento, Title X, Homeless Education Assistance Program, may be contacted for issues addressing homeless children and youth at (405) 522-3251.

**Ms. Kristi Kretchmar**, Program Specialist, Even Start Program, may be contacted for issues addressing the education of children from birth to age 3 at (405) 522-6249.

**Ms. Raneé Staats**, Program Specialist, may be contacted for issues addressing parental involvement at (405) 522-5309.

This office of Title I, IIA, VI and X will provide information to the Charter Schools regarding important timelines and established due dates.



### **Federal Programs Application Due Dates and Established Timelines:**

Each district receiving federal funds must complete a consolidated application workbook. This is located on the School District Reporting Site. The workbook requires that districts conduct a needs assessment with its schools to determine how funds should best be used to increase student performance in reading and/or math. Once the needs assessment is complete, the district will summarize the results and document how funding will be used to address the five goals of No Child Left Behind. After the workbook is uploaded and certified by the superintendent, a program specialist will review the application for approval. Once approved, the district can download, complete, and submit budget applications for Titles I, IIA, and VI. After the applications are reviewed and approved, the district can begin claiming expenditures.

The following outline demonstrates the yearly application timeline:

- The superintendent agrees to the assurances prior to completing the Consolidated Application Workbook.
- The Consolidated Application Workbook must be completed, uploaded, and certified by the superintendent by June 30.

Following approval of the Consolidated Application Workbook, the applications for Titles I, IIA, and VI may be downloaded, completed, uploaded, and certified. This may be done up to September 30.

- Once a project application is approved, expenditures from that project may be submitted for reimbursement.

### **Claims and Expenditure Reporting:**

Claims submitted by charter schools are processed in the same manner as claims submitted by non-charter schools. Claims are processed in the chronological order in which they are received. The processing period for claims starts at the beginning of the fiscal year, July 1 once the revised allocation letters are sent to districts. Claims received for districts can only be paid once the district has a preapproved application for the Title project. Claims received at the beginning of the fiscal year are paid on a sliding scale. If a project is at least in preapproval status, the district can be paid ten percent beginning July 1 through September 30. This increases in ten percent increments through the month of February. Once an application has final approval, the full amount of the allocation may be claimed. Beginning March 1 an application must have final approval to have any claims paid.

The deadline to submit claims to be guaranteed payment within the fiscal year is always set within the first week of the month of June. Claims must be received in the claims office by the end of the business day on this date and be in approval format to be guaranteed payment. Payable format includes: documentation attached, correct coding and adequate funds within claimed function and object codes. The final disbursement for the fiscal year is generally in the last week of the month of June. The final date to submit claims for the fiscal year is generally within the first week of August. Any claims received after this deadline must be submitted to the State Board of Education for approval of payment. Late claims also require a letter from the Superintendent of the district detailing the cause of the delay and any circumstances which are to be considered in the determination of payment. **We do not guarantee payment of late claims.**

### **ARRA Consolidated District Monitoring Review Requirements:**

*EDGAR, Section 80.40*, requires OSDE grantees to monitor their subgrantees to ensure compliance with applicable federal requirements, and that performance goals are achieved. Grantees are ultimately responsible for managing the day-to-day operations of all federally funded activities. All LEAs must ensure that all expenditures and activities are indeed allowable, and all areas needing corrective action are addressed and applied. The provision of federal grant monitoring enables state educational agencies to work in close collaboration with LEAs by providing them with high quality

technical assistance for fiscal and programmatic planning and implementation of all services provided for students, teachers, and principals, in behalf of their various federally funded programs. Ultimately, it is the primary grantee's responsibility to ensure that federal funds are spent according to the prescribed federal program requirements.

Monitoring is the examination of a district's administration and implementation of a federal education grant to: 1) assure compliance with applicable federal requirements; and 2) that district performance goals are being achieved as stated in Education Department General Administrative Regulations. (*EDGAR Section 80.40.*)

Monitoring supports the alignment of state and local efforts with the principles of NCLB. Monitoring provides the data necessary to make educational improvements and holds districts accountable for ensuring that all students reach proficiency or above in reading and math by 2014. OSDE's monitoring efforts are designed to focus districts' efforts when implementing the critical requirements of NCLB.

OSDE's monitoring process consists of two major components that assist districts in their efforts in building capacity for improved student achievement and ensure program compliance. The Office of Standards and Curriculum Title I, IIA, VI, and X performs the following

- Desk monitoring, and
- On-site monitoring.

OSDE program specialist(s) collect data during the desk and on-site monitoring to determine *compliance* with the monitoring indicators listed in the monitoring notification letter and the monitoring checklist. Monitoring outside of the scheduled cycle may be required if a district has serious or chronic compliance problems or has unresolved issues identified during the monitoring process.

#### **Process Number One: The Desk Monitoring**

Each district identified for desk monitoring receives the following items:

- Initial monitoring notification letter
- Monitoring checklist of required forms of documentation
- Monitoring timeline

Each district is assigned to a program specialist who is the district contact, and is primarily responsible for providing technical assistance concerning all monitoring processes. One of the most important functions of the program specialist is organizing the desk monitoring process and performing the appropriate follow-through for each assigned district. Desk monitoring includes an examination of specific program information. In conducting the desk monitoring, the district must complete the following and submit to the appropriate program specialist:

- The local school district should collect and organize all required forms of documentation. They may observe that as they perform this process that all required documents are in place. District personnel should perform a review and analysis of those documents to determine the degree of quality and clarity demonstrated for reaching compliance standards before submitting to OSDE.
- When the district determines the required documents are found to meet compliance standards, they are then prepared to submit the documentation to OSDE.
- In some cases, local school districts may find one or more documents are missing or incomplete; therefore, they should determine how to effectively create or revise the document in a timely manner. At this point, they should determine the process for revision and correction before documents are submitted to OSDE.

#### **Performing the Monitoring of District Information:**

OSDE performs the monitoring of district information in the following manner:

- OSDE staff reviews all forms of the required district documentation submitted for the desk monitoring.
- OSDE's review aligns with indicators included within United States Department of Education's Student Achievement and School Accountability (SASA) documents for specific federal program review requirements. This document highly influences the results of the monitoring, and is the model for accountability and transparency.
- OSDE's reviews are detailed, addressing each critical area of the law as required.
- As the review is performed, OSDE staff look for a demonstration of appropriate NCLB processes included within each document submitted; for example, every schoolwide plan should contain **all** of the specific components of a schoolwide plan before the plan can be considered to meet compliance standards.
- Each document reviewed either meets standards, needing no revision, or does not meet standards, and requires some form of corrective action; for example, a school district may distribute the NCLB Report Card to parents by utilizing one method; however, as required by NCLB, they failed to address **multiple** ways of distributing this information.

OSDE staff provides information about changes in policies and guidance in the form of technical assistance, and identifies potential or existing problem areas.

- OSDE staff performs follow-up after the desk monitoring has been completed.

After the desk monitoring has been performed, the program specialists may offer technical assistance via fax, e-mail, and phone conversations to assist the district in achieving compliance status.

### **Process Number Two: The On-Site Monitoring**

Each district identified for an on-site monitoring receives the following items:

- Initial monitoring notification letter with date of site visit
- Monitoring checklist for required forms of documentation to be monitored
- Monitoring timeline

When conducting the on-site monitoring, the districts need to complete the following processes and have the items prepared and organized for the monitoring:

- Gather and organize all program specific documentation requested in the monitoring notification letter.
- Ensure that the district superintendent or authorized representative be available during the monitoring visit.

During the on-site visit, OSDE program specialists monitor all appropriate documentation including information requested in the monitoring notification letter, and interview district staff, principals, teachers, parents, and other stakeholders, both individually and in groups, as appropriate. This multilevel interview strategy allows the program specialist(s) to gather information from a variety of perspectives and better evaluate the impact of the administration and the implementation of the federal programs at the district and school level.

At the conclusion of the site monitoring the OSDE staff reviews preliminary results. After the on-site visit, the program specialists offer technical assistance via fax, e-mail, and phone conversations to assist the district in achieving compliance status. Program specialists provide a formal monitoring report to the district in a timely manner and provide appropriate follow-up for all corrective action requirements.

### **District Response to Monitoring Recommendations:**

Upon receipt of the monitoring report, the district should respond to any *findings* (items not meeting requirements) by the established timeline. Districts are held accountable for submitting all corrective action responses by the assigned due date. Corrective action responses are then carefully reviewed by OSDE staff to ensure that all compliance issues identified in the monitoring report have been thoroughly addressed.

**OSDE’s Response to Corrective Action Requirements:**

When necessary, the team leader schedules a follow-up visit or communicates with the district for the purpose of discussing the corrective action requirement for the purpose of verifying the implementation of required corrective actions and to provide technical assistance as necessary.

OSDE has consistently developed and performed subrecipient monitoring requirements as set forth by the USDE. OSDE administers the monitoring process on an annual basis according to a specific 5-year monitoring schedule. OSDE has worked hard in its efforts to provide effective and efficient monitoring processes that demonstrate accountability and transparency for the purpose of maintaining integrity for all federally funded programs.

**Title I, Part A, ARRA, Neglected ARRA, Delinquent ARRA, Homeless ARRA**

This office will provide technical assistance and support necessary to assist districts/charters in effectively submitting federal programs expenditure reports through the ARRA online expenditure reporting system. Districts and charter schools were asked to attend the training when the new online system was implemented. Multiple training opportunities through videoconferences, conferences, and Webinars were designed to assist those districts and charters in submitting expenditure reports on the ARRA online expenditure system. A Webinar and instructions were available on the OSDE Website for those not able to attend the training or videoconferences. Charter Schools may contact the following OSDE staff members when making federal programs inquiries:

Mary Pearson, Executive Director, Title I, School Support/ARRA

Mary\_Pearson@sde.state.ok.us

(405) 522-3253

Rachael Nalliah, Coordinator, Reporting and Auditing II

Rachael\_Nalliah@sde.state.ok.us

(405) 521-2785

Bo Merritt, Coordinator, Reporting and Auditing

Bo\_Merritt@sde.state.ok.us

(405) 521-3170

**Uploading a Summary Expenditure Report for FY11**

**Step 1:** The ARRA Expenditure Reporting system is accessed through the School District Reporting Site (SDRS). Please logon as usual.

**Step 2:** After the logon is completed, click the link titled “ARRA Expenditure Reporting.”

**Step 3:** After the page refreshes, click the link of the appropriate program (example ARRA - NCLB Title I-A).

**Step 4:** After the program link has been clicked, the user will be directed to the Application Select screen. The user will see the 2010 application and the 2009 application. The Application Select page determines which fiscal year the user would like to operate in. The system is configured to only accept new Summary Expenditure Reports for FY10 (2010-2011). Please do not attempt to enter any new Summary Expenditure Reports for FY09 (2009-2010).

To enter new requests, select the 2010-2011 year. Once selected, the Payments button will “enable”. You should then click the Payments button. You will not be able to click the Payments button prior to selecting an application.

**Step 5:** Now the user is observing the Payment Summary Screen. The section titled FY10 unexpended balance shows the Current Year Allocation. This balance makes up the “Total Funds to

be Budgeted at Beginning of FY2011.” The numbers in this section do not change. When a budget has been entered or has been rolled over from FY10, the budgeted amount appears in the “Approved Budget” section.

The **“Pending Expenditure Reports”** include the following:

1. Any summary expenditure reports that have been approved but not sent to Treasury for payment.
2. Only expenditure reports that will generate a reimbursement payment go into this category.

The **“Completed Expenditure Reports”** section shows all FY11 expenditure reports that have been approved and paid. Once a report in “Pending” has been paid from the Treasury Department, then it will be moved to “Completed.”

The **“Remaining Balance of Expenditure Reports or Claims”** section shows how much of the “Approved Budget” amount is still available to be spent. This amount is reached by taking the total funds that were budgeted for FY11 and subtracting the total of “Pending Expenditure Reports” as well as subtracting the total of “Completed Expenditure Reports.”

To view a list of the summary expenditure reports that have been submitted to the Oklahoma State Department of Education (including their status) and to create a new summary expenditure report, click on the “View Summary Expenditure Reports” button.

**Step 6:** This screen is the Program Selection screen. Open the Drop Down List. For Title I-A, only Title I-A will appear. For IDEA, there will be 3 options: Flow-through, Pre-school, and Early Intervening.

**Step 7:** This screen shows the Summary Expenditure Report Menu. This screen is where the user can see all previously submitted expenditure reports. Click the Create New Request button to begin a New Summary Expenditure Report. To open an existing request, click the Open Request button after selecting the appropriate radio button.

Please refer to the Review Summary button. If the status of a Summary Expenditure Report is “Returned for Changes”, click the Review Summary button. This will load the Review Checklist completed by the Oklahoma State Department of Education, and should contain comments regarding the items that must be changed or corrected before the Summary Expenditure Report can be resubmitted.

**Step 8:** This screen is where you will enter data from your “hardcopy” Summary Expenditure Report. The top part of the screen shows the existing budget that was entered by the OSDE. This is a reminder that you can only submit the Expenditure Reports for the function and object codes that have been budgeted. Here are the steps for completing your online expenditure report.

- Have the hard copy Summary Expenditure Report, printed from the district’s software, available. The online expenditure report will be a duplicate of the Summary Expenditure Report.
- Begin by selecting the function and object code in the drop box. (Select the Function Code, then Object Code, enter a description, and an amount. Perform this for as many rows as are needed. All expenditures require a description, such as tutoring, Reading Teacher, or Interactive Whiteboards.
- Look at the Indirect Cost section. The Indirect Cost will be entered here. The system is programmed to calculate the maximum IDC your district can receive as long as the district has budgeted for this.
- If a mistake has been made, you may delete a row by checking the corresponding delete row box. If you require additional lines, click “create additional entries.”
- Your next step is to click “calculate totals.” Please verify that the total matches your hard copy expenditure report.
- The next step is to enter the dates. The dates should range from the first day of each month to the last day of each month, such as October 1 through October 31. This date should correspond to the dates on the hard copy expenditure report.

- Then, upload the supporting documentation to the ARRA Expenditure Reporting site. Supporting documentation will include Summary Expenditure Reports (including the detailed expenditure pages), invoices, agendas, POs, travel claims, and receipts. Uploaded documents must be in a PDF format. Please ensure that all expenditure reports are signed.

All supporting documentation may be uploaded into the system, which will allow for quicker processing. Documentation may also continue to be faxed or mailed as usual.

- The next step is to save the page. Errors that show at the top of the screen after saving must be corrected prior to certifying and/or submitting the report.

Once all errors are corrected and page has been saved, the superintendent must click the certified/submitted button. This step will automatically send the Expenditure Reports to the OSDE for processing.

### **Child Nutrition Services**

#### **Child Nutrition:**

This office will provide technical assistance information necessary to effectively submit Child Nutrition applications/reports. Child Nutrition has been involved in several Charter School training sessions. Topics included the following:

- Application/Agreement
- Free/Reduced Price Application Approval/Benefit Issuance
- Self operating versus Contract Meals
- Meal Counting and Claiming (Edit Checks)
- Claim for Reimbursement
- Food Safety Inspection Report
- Low Income Report
- Verification Report
- Year-End Expenditure Report
- Wellness Policy
- Minimum Meal Pattern Requirements
- Hazard Analysis Critical Control Point (HACCP) Plan
- Procurement Plan
- Civil Rights Compliance Checklist
- Direct Certification

Charter Schools may contact the following OSDE staff Members when making Child Nutrition Programs inquiries:

Joanie Hildenbrand, Executive Director at (405) 521-3327

Donna Mattox, Coordinator at (405) 521-3327

#### **Special Education Services:**

On December 3, 2004, the IDEA Amendments of 2004 were enacted into law as P.L. 108-446. Funds are awarded to the OSDE by the United States Department of Education (USDE), Office of Special Education Programs (OSEP), to "flow-through" to the LEA contingent upon an LEA's application for Part B funds. Flow-through funds will be awarded on a formula based on the number of children with disabilities aged three through 21 served on December 1, 1999, as well as the total enrollment in the LEA (in both public and private schools located in the LEA) and the poverty level of the LEA (defined as the free and reduced lunch count within the LEA). Section 619, or Preschool, (P.L. 94-112 as amended by P.L. 99-457, 102-119, 105-17, and 108-446) funds are earmarked for children

with disabilities aged three through five, and are awarded on a formula based on the number of children with disabilities aged three, four, and five served on December 1, 1999, as well as the total enrollment in the LEA (in both public and private schools located in the LEA) and the poverty level of the LEA (defined as the free and reduced lunch count within the LEA).”

### **Allocations to LEA’s**

In accordance with IDEA Part B (34 CFR § 300.705), LEAs must first be provided a base amount equal to the amount the LEAs would have received in school year 1999-2000 had the OSDE-SES flowed 75 percent of the state grant award to LEAs. Effective July 1, 2009, each State must distribute funds to eligible LEAs, including public charter schools that operate as LEAs. However, because of the addition of a new LEA in 2009, each LEA’s base allocation is based on its October 1, 2008, child count. Of any additional funds distributed to LEAs, 85 percent is distributed on a pro rata basis according to public and private elementary and secondary school enrollment, and 15 percent on a pro rata basis according to the number of children living in poverty (defined as the free and reduced lunch count within the LEA).

### **Timelines for Submission of Applications**

Assurances must be submitted online no later than Wednesday, July 1, 2010 (34 CFR § 300.200). The LEA’s application for funds must be submitted by Friday, September 24, 2010. Funds must be obligated during the period of the project, which is Thursday, July 1, 2010, through Thursday, June 30, 2011. Final letters of entitlement based on current-year funds will be mailed upon application review and approval by the OSDE, Special Education Services (SES). A revised letter of entitlement will be mailed to LEAs eligible to receive carryover from prior-year allocations upon closure of FY2010 funds. Note: expenditure reports (i.e., claims) will not be reimbursed prior to the approval of the LEA’s Application for Federal Special Education Funds.

### **Expenditure Reports**

A. Computer program-generated expenditure reports will be required for reimbursement of expended funds. Specific instructions and forms for expenditure reports for each funding source may be found on pages 32-37 of the Oklahoma Cost Accounting System (OCAS) Manual under the Policies and Procedures section.

B. ARRA expenditure reports are due as follows: Tuesday, August 24, 2010; Tuesday, September 21, 2010; Tuesday, October 19, 2010; Tuesday, November 16, 2010; Tuesday, December 14, 2010; Tuesday, January 25, 2011; Tuesday, February 22, 2011; Tuesday, March 22, 2011; Tuesday, April 19, 2011; Tuesday, May 17, 2011; and Tuesday, June 21, 2011. It is critical that districts submit these reports for the purpose of demonstrating accountability and transparency required by ARRA and Cash Management Act.

C. P.L. 101-453, the Cash Management Improvement Act, requires the State Treasurer to utilize automated clearinghouse procedures. In addition, it requires agencies such as the OSDE to present these transactions to the Office of State Finance in a summary format.

D. Payment of all funds from the OSDE-SES will be processed upon receipt of a computer program-generated expenditure report. This report must be for reimbursement of expended funds, preferably at the end of each quarter. Payment will be made electronically utilizing the Catalog of Federal Domestic Assistance (CFDA) numbers of a federal program.

E. CFDA numbers are:

Project Code 621 – Flow-Through - CFDA #84.027 (Source Code 4310)

Project Code 622 – ARRA, IDEA B, Flow-Through – CFDA #84.931 (Source Code 4320)

Project Code 623 – Early Intervening Services - CFDA #84.027 (Source Code 4310)

Project Code 624 – ARRA, Early Intervening Services – CFDA #84.931 (Source Code 4320)

Project Code 641 – Preschool (3-5) - CFDA #84.173 (Source Code 4340)



Project Code 643 – ARRA, Preschool, Part B – CFDA #84.392 (Source Code 4330)

All claims for reimbursement must be postmarked on or before Monday, August 1, 2011. Unclaimed funds will become carryover funds into the new fiscal year (OAC Chapter 25, Section 210, Finance). Charter schools may contact the following OSDE-SES staff members when making federal special education program inquiries for applications, budget approval, and claim reimbursement.

Pam Kimery, Finance Project Coordinator, Special Education Services (405) 522-3246

Karen Howard, Finance Coordinator, Special Education Services (405) 521-3587

Carole Tomlin, Finance Coordinator, Special Education Services (405) 521-2335

As Charter Schools “take-on” the new responsibilities of performing as local educational agencies where federal funds are concerned, the OSDE, as the grantee and fiscal agent of those funds, will ensure that all Charter Schools involved, follow all fiscal and programmatic requirements. The same ‘general’ grants management principles and sound business practices are now applied to all participating Charter Schools as they are for any local educational agency.

Beginning August 21, 2011, OSDE is considered as the entity responsible for ensuring compliance with the requirements of *No Child Left Behind* (NCLB) Act, and in the event that the Charter School does not, or cannot properly reach or maintain compliance, the ultimate oversight authority for Charter School compliance rests with OSDE.