

Fact Sheet:

Delaware Charter School Legislation Increases Oversight and Accountability for Charter Schools

On August 19th, Governor Jack Markell signed into law [House Bill 205](#) to strengthen education for Delaware children by increasing accountability and improving oversight of charter schools.

The press release can be found at governor.delaware.gov.

The following outlines the major provisions:

“Charter schools complement the work of our traditional public schools, bringing flexibility and creativity that can be a good fit for many students and teachers.

“Charter schools empower parents to choose the school that best fits their child’s needs. But the promise of charter schools is not just added flexibility – it is added flexibility coupled with heightened accountability.”

- Governor Jack Markell

Proper governance:

- **Criminal background and child abuse registry checks for charter school board members and founders**
 - To help ensure those governing our charter schools have the appropriate background and qualifications, this legislation requires criminal background and child abuse registry checks for charter school board members.
 - The law will prohibit individuals who have felony convictions, convictions for a crime against a child, or who would be barred from working in a public school due to placement on the Child Abuse Registry, from serving on a charter board, while providing discretion to the authorizer to consider other criminal history in making an authorizing decision.
- **Financial disclosure requirements for board members**
 - Charter school board members will be required to disclose any financial interest they may have in the charter school.
 - The disclosure will provide the opportunity for parents and other interested individuals to learn and inquire about any financial arrangements that may benefit a school board member.

Better oversight and more disclosure on an ongoing basis:

- **Requires an annual, external audit of charter school finances**
 - This is in addition to regulatory and practice changes that will make the current reporting that occurs throughout the year more meaningful and provides for it to be shared with and reviewed by both the Department of Education (DOE) and Department of Finance (DOF).
- **Sets a schedule for the first year of a new charter schools operation during which they will get 50 percent of their revenue from the state on July 1, 25 percent November 1 and 25 percent in February – with a mandatory DOE check on the school’s finances before the second and third installments.**

- Moves into statute the current regulatory requirement for **regular posting of required financial reports on schools' websites** and adds requirement for **also posting the annual audit** as well as the charter school's IRS Form 990, if filed.

More authority for the state to respond once problems are identified:

- Adds charter schools to the **Finance Recovery Team** portion of the Delaware Code.
 - This authority previously applied only to school districts.
 - Authorizes the director of the Office of Management and Budget to appoint a team to assess the financial status of a charter school that is on formal review, to provide information to parents and teachers regarding status, and to make certain decisions regarding payments by the charter school.

If the school must be closed:

- Allows a **high-quality charter school operator** to receive a charter to operate in a shorter timeframe at a site where another charter school is in danger of or has been slated for closure
 - A charter operator that has proven to be successful in serving its students would be able to begin operating in less than the 18 months currently required, to avoid full closure of another currently operating charter school.
 - This change **will not** impact or dilute the substantive review that must be completed following submission of the charter application – it simply reduces the amount of time that is mandated between application submission and actual opening of the school.
 - Clarifies that if one governing board holds more than one charter, each charter is considered separately for purposes of school performance and accountability, and provides added flexibility to board composition requirements, so that such governing boards continue to have teacher and parent representation but are not required to have such representation from every school for which a charter is held.
- **Moves up the deadline by which charter renewal decisions must be made so that, if a charter is not going to be renewed, that decision is made prior to the school choice deadline.**

Other provisions:

- Clarifies that a request to increase by more than 15 percent the number of students served by a charter school is a major modification.
 - Such major modifications can be approved for implementation in 7 to 8 months, however the legislation requires that an analysis of the impact of the major modification be performed.
 - This requires the authorizer to consider the impact that expanding enrollment of a charter school in the shortened timeframe will have on the districts and schools from which the students will be drawn.
- Provides that a request by a charter school to change its authorizer (from the state to a school district or vice versa) can be done via major modification, provided that the current authorizer agrees to the change.