

# Colorado Legislative Council Staff

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# CHARTER SCHOOLS ACT

by Kristen Johnson

Since 1993, the Colorado Charter Schools Act has authorized the creation of charter schools across the state and has allowed parents, citizens, educators, and communities to pursue alternative methods for educating children. This *issue brief* provides a profile of charter schools in Colorado, and discusses the key provisions of the law relating to authorizers, applications, and appeals.

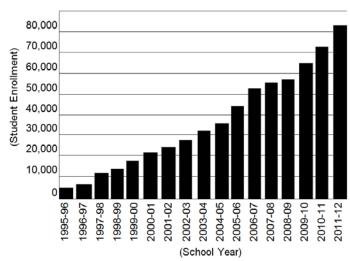
## Colorado's Charter Schools: A Profile

Charter schools in Colorado are publically funded, tuition-free schools that are operated by a group of parents, educators, or community members as partially self-governing schools within a school district. Charter schools are administered by an independent board of directors and hire staff separately from the school district in which they are located. There is no limit on the number of charter schools that may be opened in the state. During the 2011-12 school year, 178 charter schools operated in Colorado. By July 1, 2013, all Colorado charter schools must be organized as nonprofit corporations; however, they may still contract with a third party entity that is not a nonprofit organization to manage the educational services the school provides.

Enrollment. Enrollment in a charter school is open to any student in the state who chooses to attend the school. The manner in which the charter school enrolls students is at the sole discretion of the school, except that enrollment decisions must be made in a nondiscriminatory manner and the school must not establish undue barriers to students applying for enrollment that have the effect of excluding students. New charter schools receiving federal Charter School Program start-up funds must conduct a blind lottery to fill spots if demand for enrollment exceeds the number

of spots available. Although not required in state law, most charter schools opt to use a lottery to select students, according to the Colorado League of Charter Schools, as it is considered to be the most fair enrollment policy. Figure 1 highlights the growth in charter school enrollment since the 1995-96 school year. As of the 2011-12 school year, approximately 83,500 students were enrolled in charter schools, representing 9.8 percent of the statewide student population.

Figure 1. Colorado Charter School Enrollment (For School Years 1995-96 to 2011-12)



Source: Colorado Department of Education

State oversight of charter schools. Current law provides distinct roles for the Colorado Department of Education (CDE) and the State Board of Education (SBE) in overseeing charter schools. The CDE conducts an evaluation of charter schools at least every three years, and resolves disputes between a charter school and a school district regarding administrative costs. The SBE oversees

accreditation, review of charter application denials and nonrenewals, resolution of contract disputes, determination of charter waivers, and the granting of exclusive chartering authority to school districts.

Waivers. Charter schools have greater flexibility than traditional public schools with regard to curriculum, personnel, fiscal management, and general operations. The SBE, by rule, currently identifies 13 sections of state law that are automatically waived for charter schools, dealing mainly with provisions related to hiring and firing personnel. Before the end of the 2012 calendar year, the SBE will vote on additional automatic waivers for charter schools beyond the 13 already identified. A charter school's authorizer may apply, on behalf of the charter school, to the SBE for additional waivers from state statutes and rules, and must specify why the waiver is necessary. Waivers are valid for the duration of the charter contract.

No charter school in Colorado may operate free from the requirements of the Public School Finance Act of 1994, laws pertaining to school accountability committees, student assessments, and school performance reports, or the Children's Internet Protection Act.

### The Colorado Charter Schools Act

Authorizers. Charter schools operate under a contract, or "charter," established between the school's board of directors and an authorizer. There are two charter school authorizing bodies in Colorado: the local school board and the State Charter School Institute (CSI). The CSI was created in 2004 as an independent agency within the CDE and is governed by a nine-member board of directors.

School districts enrolling fewer than 3,000 students are automatically given exclusive authority to charter new schools in their district. All other schools must apply for this authority from the SBE, which may be revoked by the SBE if warranted. A school district may also choose to relinquish exclusive chartering authority. Once a district has exclusive chartering authority, the local school board is the authorizer of new charter schools within its boundaries. School districts may grant charters to new schools, provided that a majority of the students (except

online students) enrolling in the school live in that district or in contiguous school districts. The CSI may authorize charter schools located in districts that do not have exclusive chartering authority, or in districts where the local school board has given the CSI permission to authorize schools. In these districts, the local school board and the CSI have concurrent authority to authorize charter schools. Only the General Assembly may remove the chartering authority of the CSI.

Applications. To be considered for the following school year, charter school applications must be submitted to the authorizer during the previous fall. State law specifies the application content requirements and the process for the review of charter school applications. An approved application serves as the contract between the charter school and the authorizer and reflects any agreements that waive state law, state or local rule, regulation, policy, or procedure relating to schools in the school district. A charter school's initial period of operation is for a minimum of four years. At least annually, the authorizer and the charter school must jointly review the school's academic performance and most recent financial audit. If a charter application or charter renewal is denied, an appeal to the SBE is allowed.

Appeals. The SBE may review decisions of any local school board, upon notice of appeal or upon its own motion, concerning the denial of charter school applications, the renewal or revocation of a school's charter, or the unilateral imposition of conditions on a charter applicant or charter school. The SBE must review the decision of the local school board and make its findings within 60 days of receipt of the notice of appeal or the making of a motion to review by the SBE. If the SBE finds that the local school board's decision was contrary to the best interests of the students, school district, or community, the SBE must send back the decision to the local school board for its reconsideration. If the local school board maintains its position, and the decision is appealed or the SBE makes a motion to review the decision, the SBE may send back a second decision instructing the local school board to reverse its decision. The SBE's decision upon second appeal is final and not subject to appeal.