

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend _____ SCS/Senate Bills Nos. 493, et al., Page 1, Section A, Line 6,

2 by inserting after all of said line the following:

3 "160.400. 1. A charter school is an independent public
4 school.

5 2. Except as further provided in subsection 4 of this
6 section, charter schools may be operated only:

7 (1) In a metropolitan school district;

8 (2) In an urban school district containing most or all of a
9 city with a population greater than three hundred fifty thousand
10 inhabitants;

11 (3) In a school district that has been declared
12 unaccredited;

13 (4) In a school district that has been classified as
14 provisionally accredited by the state board of education and has
15 received scores on its annual performance report consistent with
16 a classification of provisionally accredited or unaccredited for
17 three consecutive school years beginning with the 2012-13
18 accreditation year under the following conditions:

19 (a) The eligibility for charter schools of any school
20 district whose provisional accreditation is based in whole or in
21 part on financial stress as defined in sections 161.520 to
22 161.529, or on financial hardship as defined by rule of the state

1 board of education, shall be decided by a vote of the state board
2 of education during the third consecutive school year after the
3 designation of provisional accreditation; and

4 (b) The sponsor is limited to the local school board or a
5 sponsor who has met the standards of accountability and
6 performance as determined by the department based on sections
7 160.400 to 160.425 and section 167.349 and properly promulgated
8 rules of the department; or

9 (5) In a school district that has been accredited without
10 provisions, sponsored only by the local school board; provided
11 that no board with a current year enrollment of one thousand five
12 hundred fifty students or greater shall permit more than
13 thirty-five percent of its student enrollment to enroll in
14 charter schools sponsored by the local board under the authority
15 of this subdivision, except that this restriction shall not apply
16 to any school district that subsequently becomes eligible under
17 subdivision (3) or (4) of this subsection or to any district
18 accredited without provisions that sponsors charter schools prior
19 to having a current year student enrollment of one thousand five
20 hundred fifty students or greater.

21 3. Except as further provided in subsection 4 of this
22 section, the following entities are eligible to sponsor charter
23 schools:

24 (1) The school board of the district in any district which
25 is sponsoring a charter school as of August 27, 2012, as
26 permitted under subdivision (1) or (2) of subsection 2 of this
27 section, the special administrative board of a metropolitan
28 school district during any time in which powers granted to the
29 district's board of education are vested in a special

1 administrative board, or if the state board of education appoints
2 a special administrative board to retain the authority granted to
3 the board of education of an urban school district containing
4 most or all of a city with a population greater than three
5 hundred fifty thousand inhabitants, the special administrative
6 board of such school district;

7 (2) A public four-year college or university with an
8 approved teacher education program that meets regional or
9 national standards of accreditation;

10 (3) A community college, the service area of which
11 encompasses some portion of the district;

12 (4) Any private four-year college or university with an
13 enrollment of at least one thousand students, with its primary
14 campus in Missouri, and with an approved teacher preparation
15 program;

16 (5) Any two-year private vocational or technical school
17 designated as a 501(c)(3) nonprofit organization under the
18 Internal Revenue Code of 1986, as amended, which is a member of
19 the North Central Association and accredited by the Higher
20 Learning Commission, with its primary campus in Missouri; or

21 (6) The Missouri charter public school commission created
22 in section 160.425.

23 4. Changes in a school district's accreditation status that
24 affect charter schools shall be addressed as follows, except for
25 the districts described in subdivisions (1) and (2) of subsection
26 2 of this section:

27 (1) As a district transitions from unaccredited to
28 provisionally accredited, the district shall continue to fall
29 under the requirements for an unaccredited district until it

1 achieves three consecutive full school years of provisional
2 accreditation;

3 (2) As a district transitions from provisionally accredited
4 to full accreditation, the district shall continue to fall under
5 the requirements for a provisionally accredited district until it
6 achieves three consecutive full school years of full
7 accreditation;

8 (3) In any school district classified as unaccredited or
9 provisionally accredited where a charter school is operating and
10 is sponsored by an entity other than the local school board, when
11 the school district becomes classified as accredited without
12 provisions, a charter school may continue to be sponsored by the
13 entity sponsoring it prior to the classification of accredited
14 without provisions and shall not be limited to the local school
15 board as a sponsor.

16 A charter school operating in a school district identified in
17 subdivision (1) or (2) of subsection 2 of this section may be
18 sponsored by any of the entities identified in subsection 3 of
19 this section, irrespective of the accreditation classification of
20 the district in which it is located. A charter school in a
21 district described in this subsection whose charter provides for
22 the addition of grade levels in subsequent years may continue to
23 add levels until the planned expansion is complete to the extent
24 of grade levels in comparable schools of the district in which
25 the charter school is operated.

26 5. The mayor of a city not within a county may request a
27 sponsor under subdivision (2), (3), (4), (5), or (6) of
28 subsection 3 of this section to consider sponsoring a "workplace
29 charter school", which is defined for purposes of sections

1 160.400 to 160.425 as a charter school with the ability to target
2 prospective students whose parent or parents are employed in a
3 business district, as defined in the charter, which is located in
4 the city.

5 6. No sponsor shall receive from an applicant for a charter
6 school any fee of any type for the consideration of a charter,
7 nor may a sponsor condition its consideration of a charter on the
8 promise of future payment of any kind.

9 7. The charter school shall be organized as a Missouri
10 nonprofit corporation incorporated pursuant to chapter 355. The
11 charter provided for herein shall constitute a contract between
12 the sponsor and the charter school.

13 8. As a nonprofit corporation incorporated pursuant to
14 chapter 355, the charter school shall select the method for
15 election of officers pursuant to section 355.326 based on the
16 class of corporation selected. Meetings of the governing board
17 of the charter school shall be subject to the provisions of
18 sections 610.010 to 610.030.

19 9. A sponsor of a charter school, its agents and employees
20 are not liable for any acts or omissions of a charter school that
21 it sponsors, including acts or omissions relating to the charter
22 submitted by the charter school, the operation of the charter
23 school and the performance of the charter school.

24 10. A charter school may affiliate with a four-year college
25 or university, including a private college or university, or a
26 community college as otherwise specified in subsection 3 of this
27 section when its charter is granted by a sponsor other than such
28 college, university or community college. Affiliation status
29 recognizes a relationship between the charter school and the

1 college or university for purposes of teacher training and staff
2 development, curriculum and assessment development, use of
3 physical facilities owned by or rented on behalf of the college
4 or university, and other similar purposes. A university, college
5 or community college may not charge or accept a fee for
6 affiliation status.

7 11. The expenses associated with sponsorship of charter
8 schools shall be defrayed by the department of elementary and
9 secondary education retaining one and five-tenths percent of the
10 amount of state and local funding allocated to the charter school
11 under section 160.415, not to exceed one hundred twenty-five
12 thousand dollars, adjusted for inflation. The department of
13 elementary and secondary education shall remit the retained funds
14 for each charter school to the school's sponsor, provided the
15 sponsor remains in good standing by fulfilling its sponsorship
16 obligations under sections 160.400 to 160.425 and 167.349 with
17 regard to each charter school it sponsors, including appropriate
18 demonstration of the following:

19 (1) Expends no less than ninety percent of its charter
20 school sponsorship funds in support of its charter school
21 sponsorship program, or as a direct investment in the sponsored
22 schools;

23 (2) Maintains a comprehensive application process that
24 follows fair procedures and rigorous criteria and grants charters
25 only to those developers who demonstrate strong capacity for
26 establishing and operating a quality charter school;

27 (3) Negotiates contracts with charter schools that clearly
28 articulate the rights and responsibilities of each party
29 regarding school autonomy, expected outcomes, measures for

1 evaluating success or failure, performance consequences, and
2 other material terms;

3 (4) Conducts contract oversight that evaluates performance,
4 monitors compliance, informs intervention and renewal decisions,
5 and ensures autonomy provided under applicable law; and

6 (5) Designs and implements a transparent and rigorous
7 process that uses comprehensive data to make merit-based renewal
8 decisions.

9 12. Sponsors receiving funds under subsection 11 of this
10 section shall be required to submit annual reports to the joint
11 committee on education demonstrating they are in compliance with
12 subsection 17 of this section.

13 13. No university, college or community college shall grant
14 a charter to a nonprofit corporation if an employee of the
15 university, college or community college is a member of the
16 corporation's board of directors.

17 14. No sponsor shall grant a charter under sections 160.400
18 to 160.425 and 167.349 without ensuring that a criminal
19 background check and family care safety registry check are
20 conducted for all members of the governing board of the charter
21 schools or the incorporators of the charter school if initial
22 directors are not named in the articles of incorporation, nor
23 shall a sponsor renew a charter without ensuring a criminal
24 background check and family care registry check are conducted for
25 each member of the governing board of the charter school.

26 15. No member of the governing board of a charter school
27 shall hold any office or employment from the board or the charter
28 school while serving as a member, nor shall the member have any
29 substantial interest, as defined in section 105.450, in any

1 entity employed by or contracting with the board. No board
2 member shall be an employee of a company that provides
3 substantial services to the charter school. All members of the
4 governing board of the charter school shall be considered
5 decision-making public servants as defined in section 105.450 for
6 the purposes of the financial disclosure requirements contained
7 in sections 105.483, 105.485, 105.487, and 105.489.

8 16. A sponsor shall develop the policies and procedures
9 for:

10 (1) The review of a charter school proposal including an
11 application that provides sufficient information for rigorous
12 evaluation of the proposed charter and provides clear
13 documentation that the education program and academic program are
14 aligned with the state standards and grade-level expectations,
15 and provides clear documentation of effective governance and
16 management structures, and a sustainable operational plan;

17 (2) The granting of a charter;

18 (3) The performance framework that the sponsor will use to
19 evaluate the performance of charter schools;

20 (4) The sponsor's intervention, renewal, and revocation
21 policies, including the conditions under which the charter
22 sponsor may intervene in the operation of the charter school,
23 along with actions and consequences that may ensue, and the
24 conditions for renewal of the charter at the end of the term,
25 consistent with subsections 8 and 9 of section 160.405;

26 (5) Additional criteria that the sponsor will use for
27 ongoing oversight of the charter; and

28 (6) Procedures to be implemented if a charter school should
29 close, consistent with the provisions of subdivision (15) of

1 subsection 1 of section 160.405.

2 The department shall provide guidance to sponsors in developing
3 such policies and procedures.

4 17. (1) A sponsor shall provide timely submission to the
5 state board of education of all data necessary to demonstrate
6 that the sponsor is in material compliance with all requirements
7 of sections 160.400 to 160.425 and section 167.349. The state
8 board of education shall ensure each sponsor is in compliance
9 with all requirements under sections 160.400 to 160.425 and
10 167.349 for each charter school sponsored by any sponsor. The
11 state board shall notify each sponsor of the standards for
12 sponsorship of charter schools, delineating both what is mandated
13 by statute and what best practices dictate. The state board
14 shall evaluate sponsors to determine compliance with these
15 standards every three years. The evaluation shall include a
16 sponsor's policies and procedures in the areas of charter
17 application approval; required charter agreement terms and
18 content; sponsor performance evaluation and compliance
19 monitoring; and charter renewal, intervention, and revocation
20 decisions. Nothing shall preclude the department from
21 undertaking an evaluation at any time for cause.

22 (2) If the department determines that a sponsor is in
23 material noncompliance with its sponsorship duties, the sponsor
24 shall be notified and given reasonable time for remediation. If
25 remediation does not address the compliance issues identified by
26 the department, the commissioner of education shall conduct a
27 public hearing and thereafter provide notice to the charter
28 sponsor of corrective action that will be recommended to the
29 state board of education. Corrective action by the department

1 may include withholding the sponsor's funding and suspending the
2 sponsor's authority to sponsor a school that it currently
3 sponsors or to sponsor any additional school until the sponsor is
4 reauthorized by the state board of education under section
5 160.403.

6 (3) The charter sponsor may, within thirty days of receipt
7 of the notice of the commissioner's recommendation, provide a
8 written statement and other documentation to show cause as to why
9 that action should not be taken. Final determination of
10 corrective action shall be determined by the state board of
11 education based upon a review of the documentation submitted to
12 the department and the charter sponsor.

13 (4) If the state board removes the authority to sponsor a
14 currently operating charter school under any provision of law,
15 the Missouri charter public school commission shall become the
16 sponsor of the school.

17 18. When a sponsor notifies a charter school of closure
18 under subsection 8 of section 160.405 the department of
19 elementary and secondary education shall exercise its financial
20 withholding authority under subsection 12 of section 160.415 to
21 assure all obligations of the charter school have been met.

22 19. In the event the department is unable to withhold
23 sufficient funds prior to the closure as specified in subsection
24 18 of this section, sponsors of charter schools shall be
25 responsible for all expenditures associated with the closure of a
26 charter school they sponsor. The provisions of this subsection
27 shall be applicable to newly proposed charters and those charters
28 renewed after the effective date of this section.

29 160.405. 1. A person, group or organization seeking to

1 establish a charter school shall submit the proposed charter, as
2 provided in this section, to a sponsor. If the sponsor is not a
3 school board, the applicant shall give a copy of its application
4 to the school board of the district in which the charter school
5 is to be located and to the state board of education, within five
6 business days of the date the application is filed with the
7 proposed sponsor. The school board may file objections with the
8 proposed sponsor, and, if a charter is granted, the school board
9 may file objections with the state board of education. The
10 charter shall ~~[be]~~ include a legally binding performance contract
11 that describes the obligations and responsibilities of the school
12 and the sponsor as outlined in sections 160.400 to 160.425 and
13 section 167.349 and shall ~~[also include]~~ address the following:

14 (1) A mission and vision statement for the charter school;

15 (2) A description of the charter school's organizational
16 structure and bylaws of the governing body, which will be
17 responsible for the policy, financial management, and operational
18 decisions of the charter school, including the nature and extent
19 of parental, professional educator, and community involvement in
20 the governance and operation of the charter school;

21 (3) A financial plan for the first three years of operation
22 of the charter school including provisions for annual audits;

23 (4) A description of the charter school's policy for
24 securing personnel services, its personnel policies, personnel
25 qualifications, and professional development plan;

26 (5) A description of the grades or ages of students being
27 served;

28 (6) The school's calendar of operation, which shall include
29 at least the equivalent of a full school term as defined in

1 section 160.011;

2 (7) A description of the charter school's pupil performance
3 standards and academic program performance standards, which shall
4 meet the requirements of subdivision (6) of subsection 4 of this
5 section. The charter school program shall be designed to enable
6 each pupil to achieve such standards and shall contain a complete
7 set of indicators, measures, metrics, and targets for academic
8 program performance, including specific goals on graduation rates
9 and standardized test performance and academic growth;

10 (8) A description of the charter school's educational
11 program and curriculum;

12 (9) The term of the charter, which shall be five years and
13 shall be renewable;

14 (10) Procedures, consistent with the Missouri financial
15 accounting manual, for monitoring the financial accountability of
16 the charter, which shall meet the requirements of subdivision (4)
17 of subsection 4 of this section;

18 (11) Preopening requirements for applications that require
19 that charter schools meet all health, safety, and other legal
20 requirements prior to opening;

21 (12) A description of the charter school's policies on
22 student discipline and student admission, which shall include a
23 statement, where applicable, of the validity of attendance of
24 students who do not reside in the district but who may be
25 eligible to attend under the terms of judicial settlements and
26 procedures that ensure admission of students with disabilities in
27 a nondiscriminatory manner;

28 (13) A description of the charter school's grievance
29 procedure for parents or guardians;

1 (14) A description of the agreement between the charter
2 school and the sponsor as to when a sponsor shall intervene in a
3 charter school, when a sponsor shall revoke a charter for failure
4 to comply with subsection 8 of this section, and when a sponsor
5 will not renew a charter under subsection 9 of this section;

6 (15) Procedures to be implemented if the charter school
7 should close, as provided in subdivision (6) of subsection 16 of
8 section 160.400 including:

9 (a) Orderly transition of student records to new schools
10 and archival of student records;

11 (b) Archival of business operation and transfer or
12 repository of personnel records;

13 (c) Submission of final financial reports;

14 (d) Resolution of any remaining financial obligations; and

15 (e) Disposition of the charter school's assets upon
16 closure;

17 (f) A notification plan to inform parents or guardians of
18 students, the local school district, the retirement system in
19 which the charter school's employees participate, and the state
20 board of education within thirty days of the decision to close;

21 (16) A description of the special education and related
22 services that shall be available to meet the needs of students
23 with disabilities; and

24 (17) For all new or revised charters, procedures to be used
25 upon closure of the charter school requiring that unobligated
26 assets of the charter school be returned to the department of
27 elementary and secondary education for their disposition, which
28 upon receipt of such assets shall return them to the local school
29 district in which the school was located, the state, or any other

1 entity to which they would belong.

2
3 Charter schools operating on August 27, 2012, shall have until
4 August 28, 2015, to meet the requirements of this subsection.

5 2. Proposed charters shall be subject to the following
6 requirements:

7 (1) A charter shall be submitted to the sponsor, and follow
8 the sponsor's policies and procedures for review and granting of
9 a charter approval, and be approved by the state board of
10 education by [~~December first~~] January thirty-first of the year
11 [~~prior to~~] that is the proposed opening date of the charter
12 school;

13 (2) A charter may be approved when the sponsor determines
14 that the requirements of this section are met, determines that
15 the applicant is sufficiently qualified to operate a charter
16 school, and that the proposed charter is consistent with the
17 sponsor's charter sponsorship goals and capacity. The sponsor's
18 decision of approval or denial shall be made within ninety days
19 of the filing of the proposed charter;

20 (3) If the charter is denied, the proposed sponsor shall
21 notify the applicant in writing as to the reasons for its denial
22 and forward a copy to the state board of education within five
23 business days following the denial;

24 (4) If a proposed charter is denied by a sponsor, the
25 proposed charter may be submitted to the state board of
26 education, along with the sponsor's written reasons for its
27 denial. If the state board determines that the applicant meets
28 the requirements of this section, that the applicant is
29 sufficiently qualified to operate the charter school, and that

1 granting a charter to the applicant would be likely to provide
2 educational benefit to the children of the district, the state
3 board may grant a charter and act as sponsor of the charter
4 school. The state board shall review the proposed charter and
5 make a determination of whether to deny or grant the proposed
6 charter within sixty days of receipt of the proposed charter,
7 provided that any charter to be considered by the state board of
8 education under this subdivision shall be submitted no later than
9 March first prior to the school year in which the charter school
10 intends to begin operations. The state board of education shall
11 notify the applicant in writing as the reasons for its denial, if
12 applicable; and

13 (5) The sponsor of a charter school shall give priority to
14 charter school applicants that propose a school oriented to
15 high-risk students and to the reentry of dropouts into the school
16 system. If a sponsor grants three or more charters, at least
17 one-third of the charters granted by the sponsor shall be to
18 schools that actively recruit dropouts or high-risk students as
19 their student body and address the needs of dropouts or high-risk
20 students through their proposed mission, curriculum, teaching
21 methods, and services. For purposes of this subsection, a
22 "high-risk" student is one who is at least one year behind in
23 satisfactory completion of course work or obtaining high school
24 credits for graduation, has dropped out of school, is at risk of
25 dropping out of school, needs drug and alcohol treatment, has
26 severe behavioral problems, has been suspended from school three
27 or more times, has a history of severe truancy, is a pregnant or
28 parenting teen, has been referred for enrollment by the judicial
29 system, is exiting incarceration, is a refugee, is homeless or

1 has been homeless sometime within the preceding six months, has
2 been referred by an area school district for enrollment in an
3 alternative program, or qualifies as high risk under department
4 of elementary and secondary education guidelines. "Dropout"
5 shall be defined through the guidelines of the school core data
6 report. The provisions of this subsection do not apply to
7 charters sponsored by the state board of education.

8 3. If a charter is approved by a sponsor, the charter
9 application shall be submitted to the state board of education,
10 along with a statement of finding by the sponsor that the
11 application meets the requirements of sections 160.400 to 160.425
12 and section 167.349 and a monitoring plan under which the charter
13 sponsor shall evaluate the academic performance of students
14 enrolled in the charter school. The state board of education
15 [may, within] has sixty days[, disapprove the granting of the
16 charter.] from receipt of the charter application to renew the
17 application. Any charter application received by the state board
18 of education on or before November fifteenth of the year prior to
19 the proposed opening of the charter school shall be considered by
20 the state board of education within the sixty-day period. At the
21 conclusion of the sixty-day period, the charter application shall
22 be deemed approved unless the state board of education [may
23 disapprove a] disapproves the charter on grounds that the
24 application fails to meet the requirements of sections 160.400 to
25 160.425 and section 167.349 or that a charter sponsor previously
26 failed to meet the statutory responsibilities of a charter
27 sponsor. Any disapproval of a charter application made by the
28 state board of education shall be in writing and shall identify
29 the specific failures of the application to meet the requirements

1 of sections 160.400 to 160.425 and section 167.349, and the
2 written disapproval shall be provided within five business days
3 to the sponsor.

4 4. A charter school shall, as provided in its charter:

5 (1) Be nonsectarian in its programs, admission policies,
6 employment practices, and all other operations;

7 (2) Comply with laws and regulations of the state, county,
8 or city relating to health, safety, and state minimum educational
9 standards, as specified by the state board of education,
10 including the requirements relating to student discipline under
11 sections 160.261, 167.161, 167.164, and 167.171, notification of
12 criminal conduct to law enforcement authorities under sections
13 167.115 to 167.117, academic assessment under section 160.518,
14 transmittal of school records under section 167.020, the minimum
15 number of school days and hours required under section 160.041,
16 and the employee criminal history background check and the family
17 care safety registry check under section 168.133;

18 (3) Except as provided in sections 160.400 to 160.425, be
19 exempt from all laws and rules relating to schools, governing
20 boards and school districts;

21 (4) Be financially accountable, use practices consistent
22 with the Missouri financial accounting manual, provide for an
23 annual audit by a certified public accountant, publish audit
24 reports and annual financial reports as provided in chapter 165,
25 provided that the annual financial report may be published on the
26 department of elementary and secondary education's internet
27 website in addition to other publishing requirements, and provide
28 liability insurance to indemnify the school, its board, staff and
29 teachers against tort claims. A charter school that receives

1 local educational agency status under subsection 6 of this
2 section shall meet the requirements imposed by the Elementary and
3 Secondary Education Act for audits of such agencies and comply
4 with all federal audit requirements for charters with local
5 education agency status. For purposes of an audit by petition
6 under section 29.230, a charter school shall be treated as a
7 political subdivision on the same terms and conditions as the
8 school district in which it is located. For the purposes of
9 securing such insurance, a charter school shall be eligible for
10 the Missouri public entity risk management fund pursuant to
11 section 537.700. A charter school that incurs debt shall include
12 a repayment plan in its financial plan;

13 (5) Provide a comprehensive program of instruction for at
14 least one grade or age group from kindergarten through grade
15 twelve, which may include early childhood education if funding
16 for such programs is established by statute, as specified in its
17 charter;

18 (6) (a) Design a method to measure pupil progress toward
19 the pupil academic standards adopted by the state board of
20 education pursuant to section 160.514, establish baseline student
21 performance in accordance with the performance contract during
22 the first year of operation, collect student performance data as
23 defined by the annual performance report throughout the duration
24 of the charter to annually monitor student academic performance,
25 and to the extent applicable based upon grade levels offered by
26 the charter school, participate in the statewide system of
27 assessments, comprised of the essential skills tests and the
28 nationally standardized norm-referenced achievement tests, as
29 designated by the state board pursuant to section 160.518,

1 complete and distribute an annual report card as prescribed in
2 section 160.522, which shall also include a statement that
3 background checks have been completed on the charter school's
4 board members, report to its sponsor, the local school district,
5 and the state board of education as to its teaching methods and
6 any educational innovations and the results thereof, and provide
7 data required for the study of charter schools pursuant to
8 subsection 4 of section 160.410. No charter school shall be
9 considered in the Missouri school improvement program review of
10 the district in which it is located for the resource or process
11 standards of the program.

12 (b) For proposed high risk or alternative charter schools,
13 sponsors shall approve performance measures based on mission,
14 curriculum, teaching methods, and services. Sponsors shall also
15 approve comprehensive academic and behavioral measures to
16 determine whether students are meeting performance standards on a
17 different time frame as specified in that school's charter.
18 Student performance shall be assessed comprehensively to
19 determine whether a high risk or alternative charter school has
20 documented adequate student progress. Student performance shall
21 be based on sponsor-approved comprehensive measures as well as
22 standardized public school measures. Annual presentation of
23 charter school report card data to the department of elementary
24 and secondary education, the state board, and the public shall
25 include comprehensive measures of student progress.

26 (c) Nothing in this subdivision shall be construed as
27 permitting a charter school to be held to lower performance
28 standards than other public schools within a district; however,
29 the charter of a charter school may permit students to meet

1 performance standards on a different time frame as specified in
2 its charter. The performance standards for alternative and
3 special purpose charter schools that target high-risk students as
4 defined in subdivision (5) of subsection 2 of this section shall
5 be based on measures defined in the school's performance contract
6 with its sponsors;

7 (7) Comply with all applicable federal and state laws and
8 regulations regarding students with disabilities, including
9 sections 162.670 to 162.710, the Individuals with Disabilities
10 Education Act (20 U.S.C. Section 1400) and Section 504 of the
11 Rehabilitation Act of 1973 (29 U.S.C. Section 794) or successor
12 legislation;

13 (8) Provide along with any request for review by the state
14 board of education the following:

15 (a) Documentation that the applicant has provided a copy of
16 the application to the school board of the district in which the
17 charter school is to be located, except in those circumstances
18 where the school district is the sponsor of the charter school;
19 and

20 (b) A statement outlining the reasons for approval or
21 disapproval by the sponsor, specifically addressing the
22 requirements of sections 160.400 to 160.425 and 167.349.

23 5. (1) Proposed or existing high-risk or alternative
24 charter schools may include alternative arrangements for students
25 to obtain credit for satisfying graduation requirements in the
26 school's charter application and charter. Alternative
27 arrangements may include, but not be limited to, credit for
28 off-campus instruction, embedded credit, work experience through
29 an internship arranged through the school, and independent

1 studies. When the state board of education approves the charter,
2 any such alternative arrangements shall be approved at such time.

3 (2) The department of elementary and secondary education
4 shall conduct a study of any charter school granted alternative
5 arrangements for students to obtain credit under this subsection
6 after three years of operation to assess student performance,
7 graduation rates, educational outcomes, and entry into the
8 workforce or higher education.

9 6. The charter of a charter school may be amended at the
10 request of the governing body of the charter school and on the
11 approval of the sponsor. The sponsor and the governing board and
12 staff of the charter school shall jointly review the school's
13 performance, management and operations during the first year of
14 operation and then every other year after the most recent review
15 or at any point where the operation or management of the charter
16 school is changed or transferred to another entity, either public
17 or private. The governing board of a charter school may amend
18 the charter, if the sponsor approves such amendment, or the
19 sponsor and the governing board may reach an agreement in writing
20 to reflect the charter school's decision to become a local
21 educational agency. In such case the sponsor shall give the
22 department of elementary and secondary education written notice
23 no later than March first of any year, with the agreement to
24 become effective July first. The department may waive the March
25 first notice date in its discretion. The department shall
26 identify and furnish a list of its regulations that pertain to
27 local educational agencies to such schools within thirty days of
28 receiving such notice.

29 7. Sponsors shall annually review the charter school's

1 compliance with statutory standards including:

2 (1) Participation in the statewide system of assessments,
3 as designated by the state board of education under section
4 160.518;

5 (2) Assurances for the completion and distribution of an
6 annual report card as prescribed in section 160.522;

7 (3) The collection of baseline data during the first three
8 years of operation to determine the longitudinal success of the
9 charter school;

10 (4) A method to measure pupil progress toward the pupil
11 academic standards adopted by the state board of education under
12 section 160.514; and

13 (5) Publication of each charter school's annual performance
14 report.

15 8. (1) (a) A sponsor's intervention policies shall give
16 schools clear, adequate, evidence-based, and timely notice of
17 contract violations or performance deficiencies and mandate
18 intervention based upon findings of the state board of education
19 of the following:

20 a. The charter school provides a high school program which
21 fails to maintain a graduation rate of at least seventy percent
22 in three of the last four school years unless the school has
23 dropout recovery as its mission;

24 b. The charter school's annual performance report results
25 are below the district's annual performance report results based
26 on the performance standards that are applicable to the grade
27 level configuration of both the charter school and the district
28 in which the charter school is located in three of the last four
29 school years; and

1 c. The charter school is identified as a persistently
2 lowest achieving school by the department of elementary and
3 secondary education.

4 (b) A sponsor shall have a policy to revoke a charter
5 during the charter term if there is:

6 a. Clear evidence of underperformance as [demonstrated in
7 the charter school's annual performance report in three of the
8 last four school years] determined by the charter school
9 accreditation process outlined in subsection 15 of this section;
10 or

11 b. A violation of the law or the public trust that imperils
12 students or public funds.

13 (c) A sponsor shall revoke a charter or take other
14 appropriate remedial action, which may include placing the
15 charter school on probationary status for no more than twelve
16 months, provided that no more than one designation of
17 probationary status shall be allowed for the duration of the
18 charter contract, at any time if the charter school commits a
19 serious breach of one or more provisions of its charter or on any
20 of the following grounds: failure to meet the performance
21 contract as set forth in its charter, failure to meet generally
22 accepted standards of fiscal management, failure to provide
23 information necessary to confirm compliance with all provisions
24 of the charter and sections 160.400 to 160.425 and 167.349 within
25 forty-five days following receipt of written notice requesting
26 such information, or violation of law.

27 (2) The sponsor may place the charter school on
28 probationary status to allow the implementation of a remedial
29 plan, which may require a change of methodology, a change in

1 leadership, or both, after which, if such plan is unsuccessful,
2 the charter may be revoked.

3 (3) At least sixty days before acting to revoke a charter,
4 the sponsor shall notify the governing board of the charter
5 school of the proposed action in writing. The notice shall state
6 the grounds for the proposed action. The school's governing
7 board may request in writing a hearing before the sponsor within
8 two weeks of receiving the notice.

9 (4) The sponsor of a charter school shall establish
10 procedures to conduct administrative hearings upon determination
11 by the sponsor that grounds exist to revoke a charter. Final
12 decisions of a sponsor from hearings conducted pursuant to this
13 subsection are subject to an appeal to the state board of
14 education, which shall determine whether the charter shall be
15 revoked.

16 (5) A termination shall be effective only at the conclusion
17 of the school year, unless the sponsor determines that continued
18 operation of the school presents a clear and immediate threat to
19 the health and safety of the children.

20 (6) A charter sponsor shall make available the school
21 accountability report card information as provided under section
22 160.522 and the results of the academic monitoring required under
23 subsection 3 of this section.

24 9. (1) A sponsor shall take all reasonable steps necessary
25 to confirm that each charter school sponsored by such sponsor is
26 in material compliance and remains in material compliance with
27 all material provisions of the charter and sections 160.400 to
28 160.425 and 167.349. Every charter school shall provide all
29 information necessary to confirm ongoing compliance with all

1 provisions of its charter and sections 160.400 to 160.425 and
2 167.349 in a timely manner to its sponsor.

3 (2) The sponsor's renewal process of the charter school
4 shall be based on the thorough analysis of a comprehensive body
5 of objective evidence and consider if:

6 (a) The charter school has maintained results on its annual
7 performance report that meet or exceed the district in which the
8 charter school is located based on the performance standards that
9 are applicable to the grade-level configuration of both the
10 charter school and the district in which the charter school is
11 located in three of the last four school years;

12 (b) The charter school is organizationally and fiscally
13 viable determining at a minimum that the school does not have:

14 a. A negative balance in its operating funds;

15 b. A combined balance of less than three percent of the
16 amount expended for such funds during the previous fiscal year;
17 or

18 c. Expenditures that exceed receipts for the most recently
19 completed fiscal year;

20 (c) The charter is in compliance with its legally binding
21 performance contract and sections 160.400 to 160.425 and section
22 167.349.

23 (3) (a) Beginning August first during the year in which a
24 charter is considered for renewal, a charter school sponsor shall
25 demonstrate to the state board of education that the charter
26 school is in compliance with federal and state law as provided in
27 sections 160.400 to 160.425 and section 167.349 and the school's
28 performance contract including but not limited to those
29 requirements specific to academic performance.

1 (b) Along with data reflecting the academic performance
2 standards indicated in paragraph (a) of this subdivision, the
3 sponsor shall submit a revised charter application to the state
4 board of education for review.

5 (c) Using the data requested and the revised charter
6 application under paragraphs (a) and (b) of this subdivision, the
7 state board of education shall determine if compliance with all
8 standards enumerated in this subdivision has been achieved. The
9 state board of education at its next regularly scheduled meeting
10 shall vote on the revised charter application.

11 (d) If a charter school sponsor demonstrates the objectives
12 identified in this subdivision, the state board of education
13 shall renew the school's charter.

14 10. A school district may enter into a lease with a charter
15 school for physical facilities.

16 11. A governing board or a school district employee who has
17 control over personnel actions shall not take unlawful reprisal
18 against another employee at the school district because the
19 employee is directly or indirectly involved in an application to
20 establish a charter school. A governing board or a school
21 district employee shall not take unlawful reprisal against an
22 educational program of the school or the school district because
23 an application to establish a charter school proposes the
24 conversion of all or a portion of the educational program to a
25 charter school. As used in this subsection, "unlawful reprisal"
26 means an action that is taken by a governing board or a school
27 district employee as a direct result of a lawful application to
28 establish a charter school and that is adverse to another
29 employee or an educational program.

1 12. Charter school board members shall be subject to the
2 same liability for acts while in office as if they were regularly
3 and duly elected members of school boards in any other public
4 school district in this state. The governing board of a charter
5 school may participate, to the same extent as a school board, in
6 the Missouri public entity risk management fund in the manner
7 provided under sections 537.700 to 537.756.

8 13. Any entity, either public or private, operating,
9 administering, or otherwise managing a charter school shall be
10 considered a quasi-public governmental body and subject to the
11 provisions of sections 610.010 to 610.035.

12 14. The chief financial officer of a charter school shall
13 maintain:

14 (1) A surety bond in an amount determined by the sponsor to
15 be adequate based on the cash flow of the school; or

16 (2) An insurance policy issued by an insurance company
17 licensed to do business in Missouri on all employees in the
18 amount of five hundred thousand dollars or more that provides
19 coverage in the event of employee theft.

20 15. (1) The sponsor of each charter school shall adopt a
21 system of classification that accredits charter schools. This
22 system shall be based on the charter school's compliance with
23 terms of the charter school's legally binding performance
24 contract with the sponsor and shall also consider the following:

25 a. The charter school's annual performance report results
26 based on the performance standards that are applicable to the
27 grade level configuration of both the charter school and the
28 district in which the charter school is located;

29 b. If the charter school has a high school program, the

1 graduation rate unless the school has dropout recovery as its
2 mission;

3 c. The charter school's participation in the statewide
4 system of assessments under section 160.518;

5 d. The longitudinal success of the charter school as
6 determined by comparison to the baseline data collected during
7 the first three years of operation;

8 e. The measurement of pupil progress toward the pupil
9 academic standards adopted by the state board of education under
10 section 160.514; and

11 f. If the charter school is identified as a persistently
12 lowest achieving school by the department of elementary and
13 secondary education.

14 (2) The sponsor's system of accreditation shall also
15 consider if the charter school is organizationally and fiscally
16 viable determining at a minimum that the school does not have:

17 a. A negative balance in its operating funds;

18 b. A combined balance of less than three percent of the
19 amount expended for such funds during the previous fiscal year;
20 or

21 c. Expenditures that exceed receipts for the most recently
22 completed fiscal year;

23 (3) The sponsor's system of accreditation shall also
24 consider if the charter school has been placed on probationary
25 status to allow the implementation of a remedial plan.

26 (4) In making accreditation designations, sponsors shall
27 utilize a minimum of three years of performance data.

28 (5) Sponsors shall utilize the accreditation criteria of
29 this subsection in addition to any other applicable requirements

1 of this section when conducting their duties pursuant to
2 subsections 8 and 9 of this section."; and

3 Further amend said bill, page 2, section 161.238, lines 10-
4 14, by striking all of said lines; and further amend said section
5 by renumbering the remaining subsections accordingly; and

6 Further amend said bill, page 11, section 163.021, line 87,
7 by inserting after all of said line the following:

8 "163.036. 1. In computing the amount of state aid a school
9 district is entitled to receive for the minimum school term only
10 under section 163.031, a school district may use an estimate of
11 the weighted average daily attendance for the current year, or
12 the weighted average daily attendance for the immediately
13 preceding year or the weighted average daily attendance for the
14 second preceding school year, whichever is greater. Beginning
15 with the 2006-07 school year, the summer school attendance
16 included in the average daily attendance as defined in
17 subdivision (2) of section 163.011 shall include only the
18 attendance hours of pupils that attend summer school in the
19 current year. Beginning with the 2004-05 school year, when a
20 district's official calendar for the current year contributes to
21 a more than ten percent reduction in the average daily attendance
22 for kindergarten compared to the immediately preceding year, the
23 payment attributable to kindergarten shall include only the
24 current year kindergarten average daily attendance. Any error
25 made in the apportionment of state aid because of a difference
26 between the actual weighted average daily attendance and the
27 estimated weighted average daily attendance shall be corrected as
28 provided in section 163.091, except that if the amount paid to a
29 district estimating weighted average daily attendance exceeds the

1 amount to which the district was actually entitled by more than
2 five percent, interest at the rate of six percent shall be
3 charged on the excess and shall be added to the amount to be
4 deducted from the district's apportionment the next succeeding
5 year.

6 2. Notwithstanding the provisions of subsection 1 of this
7 section or any other provision of law, the state board of
8 education shall make an adjustment for the immediately preceding
9 year for any increase in the actual weighted average daily
10 attendance above the number on which the state aid in section
11 163.031 was calculated. Said adjustment shall be made in the
12 manner providing for correction of errors under subsection 1 of
13 this section.

14 3. Any error made in the apportionment of state aid because
15 of a difference between the actual equalized assessed valuation
16 for the current year and the estimated equalized assessed
17 valuation for the current year shall be corrected as provided in
18 section 163.091, except that if the amount paid to a district
19 estimating current equalized assessed valuation exceeds the
20 amount to which the district was actually entitled, interest at
21 the rate of six percent shall be charged on the excess and shall
22 be added to the amount to be deducted from the district's
23 apportionment the next succeeding year.

24 4. For the purposes of distribution of state school aid
25 pursuant to section 163.031, a school district with ten percent
26 or more of its assessed valuation that is owned by one person or
27 corporation as commercial or personal property who is delinquent
28 in a property tax payment may elect, after receiving notice from
29 the county clerk on or before March fifteenth that more than ten

1 percent of its current taxes due the preceding December
2 thirty-first by a single property owner are delinquent, to use in
3 the local effort calculation of the state aid formula the
4 district's equalized assessed valuation for the preceding year or
5 the actual assessed valuation of the year for which the taxes are
6 delinquent less the assessed valuation of property for which the
7 current year's property tax is delinquent. To qualify for use of
8 the actual assessed valuation of the year for which the taxes are
9 delinquent less the assessed valuation of property for which the
10 current year's property tax is delinquent, a district must notify
11 the department of elementary and secondary education on or before
12 April first, except in the year enacted, of the current year
13 amount of delinquent taxes, the assessed valuation of such
14 property for which delinquent taxes are owed and the total
15 assessed valuation of the district for the year in which the
16 taxes were due but not paid. Any district giving such notice to
17 the department of elementary and secondary education shall
18 present verification of the accuracy of such notice obtained from
19 the clerk of the county levying delinquent taxes. When any of
20 the delinquent taxes identified by such notice are paid during a
21 four-year period following the due date, the county clerk shall
22 give notice to the district and the department of elementary and
23 secondary education, and state aid paid to the district shall be
24 reduced by an amount equal to the delinquent taxes received plus
25 interest. The reduction in state aid shall occur over a period
26 not to exceed five years and the interest rate on excess state
27 aid not refunded shall be six percent annually.

28 5. If a district receives state aid based on equalized
29 assessed valuation as determined by subsection 4 of this section

1 and if prior to such notice the district was paid state aid
2 pursuant to section 163.031, the amount of state aid paid during
3 the year of such notice and the first year following shall equal
4 the sum of state aid paid pursuant to section 163.031 plus the
5 difference between the state aid amount being paid after such
6 notice minus the amount of state aid the district would have
7 received pursuant to section 163.031 before such notice. To be
8 eligible to receive state aid based on this provision the
9 district must levy during the first year following such notice at
10 least the maximum levy permitted school districts by article X,
11 section 11(b) of the Missouri Constitution and have a voluntary
12 rollback of its tax rate which is no greater than one cent per
13 one hundred dollars assessed valuation.

14 6. Notwithstanding the provisions of subsection 1 of this
15 section, any district in which the local school board sponsors a
16 charter school as provided in section 160.400 shall only be
17 permitted to use an estimate of the district's weighted average
18 daily attendance for the current year and shall not be permitted
19 to use a weighted average daily attendance count from any
20 preceding year for purposes of determining the amount of state
21 aid to which the district is entitled."; and

22 Further amend the title and enacting clause accordingly.