

SECOND REGULAR SESSION

SENATE BILL NO. 676

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR EIGEL.

Pre-filed December 1, 2017, and ordered printed.

ADRIANE D. CROUSE, Secretary.

4954S.01I

AN ACT

To repeal sections 70.220, 160.405, and 355.846, RSMo, and to enact in lieu thereof four new sections relating to not for profit entities.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 70.220, 160.405, and 355.846, RSMo, are repealed and
2 four new sections enacted in lieu thereof, to be known as sections 34.390, 70.220,
3 160.405, and 355.846, to read as follows:

**34.390. Whenever the state or any political subdivision thereof
2 shall enter into a contract with an entity organized under chapter 355,
3 the entity shall be required, as a condition of the contract, to make its
4 financial statements available to the public in a form consistent with
5 generally accepted accounting principles and to make its records
6 available for inspection by the contracting entity or its auditors.**

70.220. 1. Any municipality or political subdivision of this state, as
2 herein defined, may contract and cooperate with any other municipality or
3 political subdivision, or with an elective or appointive official thereof, or with a
4 duly authorized agency of the United States, or of this state, or with other states
5 or their municipalities or political subdivisions, or with any private person, firm,
6 association or corporation, for the planning, development, construction,
7 acquisition or operation of any public improvement or facility, or for a common
8 service; provided, that the subject and purposes of any such contract or
9 cooperative action made and entered into by such municipality or political
10 subdivision shall be within the scope of the powers of such municipality or
11 political subdivision.

12 2. Any municipality or political subdivision of this state may contract with
13 one or more adjacent municipalities or political subdivisions to share the tax

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

14 revenues of such cooperating entities that are generated from real property and
15 the improvements constructed thereon, if such real property is located within the
16 boundaries of either or both municipalities or subdivisions and within three
17 thousand feet of a common border of the contracting municipalities or political
18 subdivisions. The purpose of such contract shall be within the scope of powers
19 of each municipality or political subdivision. Municipalities or political
20 subdivisions separated only by a public street, easement, or right-of-way shall be
21 considered to share a common border for purposes of this subsection.

22 3. Any home rule city with more than seventy-three thousand but fewer
23 than seventy-five thousand inhabitants may contract with any county of the first
24 classification with more than eighty-five thousand nine hundred but fewer than
25 eighty-six thousand inhabitants to share tax revenues for the purpose of
26 promoting tourism and the construction, maintenance, and improvement of
27 convention center and recreational facilities. In the event an agreement for the
28 distribution of tax revenues is entered into between a county of the first
29 classification with more than eighty-five thousand nine hundred but fewer than
30 eighty-six thousand inhabitants and a home rule city with more than
31 seventy-three thousand but fewer than seventy-five thousand inhabitants, then
32 all revenue received from such taxes shall be distributed in accordance with the
33 terms of said agreement. For purposes of this subsection, the term "tax revenues"
34 shall include tax revenues generated from the imposition of a transient guest tax
35 imposed under the provisions of section 67.1361.

36 4. If any contract or cooperative action entered into under this section is
37 between a municipality or political subdivision and an elective or appointive
38 official of another municipality or political subdivision, such contract or
39 cooperative action shall be approved by the governing body of the unit of
40 government in which such elective or appointive official resides.

41 5. In the event an agreement for the distribution of tax revenues is
42 entered into between a county of the first classification without a charter form of
43 government and a constitutional charter city with a population of more than one
44 hundred forty thousand that is located in said county prior to a vote to authorize
45 the imposition of such tax, then all revenue received from such tax shall be
46 distributed in accordance with said agreement for so long as the tax remains in
47 effect or until the agreement is modified by mutual agreement of the parties.

48 **6. Whenever any government entity mentioned in this section**
49 **shall enter into any of the agreements authorized by this section with**

50 **an entity organized under chapter 355, the entity shall be required, as**
51 **a condition of the agreement, to make its financial statements available**
52 **to the public in a form consistent with generally accepted accounting**
53 **principles and to make its records available for inspection by the**
54 **governmental entity or its auditors.**

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

- 12 (1) A mission and vision statement for the charter school;
- 13 (2) A description of the charter school's organizational structure and
14 bylaws of the governing body, which will be responsible for the policy, financial
15 management, and operational decisions of the charter school, including the nature
16 and extent of parental, professional educator, and community involvement in the
17 governance and operation of the charter school;
- 18 (3) A financial plan for the first three years of operation of the charter
19 school including provisions for annual audits;
- 20 (4) A description of the charter school's policy for securing personnel
21 services, its personnel policies, personnel qualifications, and professional
22 development plan;
- 23 (5) A description of the grades or ages of students being served;
- 24 (6) The school's calendar of operation, which shall include at least the
25 equivalent of a full school term as defined in section 160.011;
- 26 (7) A description of the charter school's pupil performance standards and
27 academic program performance standards, which shall meet the requirements of
28 subdivision (6) of subsection 4 of this section. The charter school program shall
29 be designed to enable each pupil to achieve such standards and shall contain a
30 complete set of indicators, measures, metrics, and targets for academic program
31 performance, including specific goals on graduation rates and standardized test

32 performance and academic growth;

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

35 (9) The term of the charter, which shall be five years and may be renewed;

36 (10) Procedures, consistent with the Missouri financial accounting
37 manual, for monitoring the financial accountability of the charter, which shall
38 meet the requirements of subdivision (4) of subsection 4 of this section;

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

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

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

48 (14) A description of the agreement and time frame for implementation
49 between the charter school and the sponsor as to when a sponsor shall intervene
50 in a charter school, when a sponsor shall revoke a charter for failure to comply
51 with subsection 8 of this section, and when a sponsor will not renew a charter
52 under subsection 9 of this section;

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

55 (a) Orderly transition of student records to new schools and archival of
56 student records;

57 (b) Archival of business operation and transfer or repository of personnel
58 records;

59 (c) Submission of final financial reports;

60 (d) Resolution of any remaining financial obligations;

61 (e) Disposition of the charter school's assets upon closure; and

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

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

68 (17) For all new or revised charters, procedures to be used upon closure
69 of the charter school requiring that unobligated assets of the charter school be
70 returned to the department of elementary and secondary education for their
71 disposition, which upon receipt of such assets shall return them to the local
72 school district in which the school was located, the state, or any other entity to
73 which they would belong.

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

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

77 (1) A charter shall be submitted to the sponsor, and follow the sponsor's
78 policies and procedures for review and granting of a charter approval, and be
79 approved by the state board of education by January thirty-first prior to the
80 school year of the proposed opening date of the charter school;

81 (2) A charter may be approved when the sponsor determines that the
82 requirements of this section are met, determines that the applicant is sufficiently
83 qualified to operate a charter school, and that the proposed charter is consistent
84 with the sponsor's charter sponsorship goals and capacity. The sponsor's decision
85 of approval or denial shall be made within ninety days of the filing of the
86 proposed charter;

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

90 (4) If a proposed charter is denied by a sponsor, the proposed charter may
91 be submitted to the state board of education, along with the sponsor's written
92 reasons for its denial. If the state board determines that the applicant meets the
93 requirements of this section, that the applicant is sufficiently qualified to operate
94 the charter school, and that granting a charter to the applicant would be likely
95 to provide educational benefit to the children of the district, the state board may
96 grant a charter and act as sponsor of the charter school. The state board shall
97 review the proposed charter and make a determination of whether to deny or
98 grant the proposed charter within sixty days of receipt of the proposed charter,
99 provided that any charter to be considered by the state board of education under
100 this subdivision shall be submitted no later than March first prior to the school
101 year in which the charter school intends to begin operations. The state board of
102 education shall notify the applicant in writing as the reasons for its denial, if
103 applicable; and

104 (5) The sponsor of a charter school shall give priority to charter school
105 applicants that propose a school oriented to high-risk students and to the reentry
106 of dropouts into the school system. If a sponsor grants three or more charters,
107 at least one-third of the charters granted by the sponsor shall be to schools that
108 actively recruit dropouts or high-risk students as their student body and address
109 the needs of dropouts or high-risk students through their proposed mission,
110 curriculum, teaching methods, and services. For purposes of this subsection, a
111 "high-risk" student is one who is at least one year behind in satisfactory
112 completion of course work or obtaining high school credits for graduation, has
113 dropped out of school, is at risk of dropping out of school, needs drug and alcohol
114 treatment, has severe behavioral problems, has been suspended from school three
115 or more times, has a history of severe truancy, is a pregnant or parenting teen,
116 has been referred for enrollment by the judicial system, is exiting incarceration,
117 is a refugee, is homeless or has been homeless sometime within the preceding six
118 months, has been referred by an area school district for enrollment in an
119 alternative program, or qualifies as high risk under department of elementary
120 and secondary education guidelines. Dropout shall be defined through the
121 guidelines of the school core data report. The provisions of this subsection do not
122 apply to charters sponsored by the state board of education.

123 3. If a charter is approved by a sponsor, the charter application shall be
124 submitted to the state board of education, along with a statement of finding by
125 the sponsor that the application meets the requirements of sections 160.400 to
126 160.425 and section 167.349 and a monitoring plan under which the charter
127 sponsor shall evaluate the academic performance, including annual performance
128 reports, of students enrolled in the charter school. The state board of education
129 shall approve or deny a charter application within sixty days of receipt of the
130 application. The state board of education may deny a charter on grounds that the
131 application fails to meet the requirements of sections 160.400 to 160.425 and
132 section 167.349 or that a charter sponsor previously failed to meet the statutory
133 responsibilities of a charter sponsor. Any denial of a charter application made
134 by the state board of education shall be in writing and shall identify the specific
135 failures of the application to meet the requirements of sections 160.400 to 160.425
136 and section 167.349, and the written denial shall be provided within ten business
137 days to the sponsor.

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

139 (1) Be nonsectarian in its programs, admission policies, employment

140 practices, and all other operations;

141 (2) Comply with laws and regulations of the state, county, or city relating
142 to health, safety, and state minimum educational standards, as specified by the
143 state board of education, including the requirements relating to student discipline
144 under sections 160.261, 167.161, 167.164, and 167.171, notification of criminal
145 conduct to law enforcement authorities under sections 167.115 to 167.117,
146 academic assessment under section 160.518, transmittal of school records under
147 section 167.020, the minimum amount of school time required under section
148 171.031, and the employee criminal history background check and the family care
149 safety registry check under section 168.133;

150 (3) Except as provided in sections 160.400 to 160.425 and as specifically
151 provided in other sections, be exempt from all laws and rules relating to schools,
152 governing boards and school districts;

153 (4) Be financially accountable, use practices consistent with the Missouri
154 financial accounting manual, provide for an annual audit by a certified public
155 accountant, publish audit reports and annual financial reports as provided in
156 chapter 165 **and make such reports available to the public**, provided that
157 the annual financial report may be published on the department of elementary
158 and secondary education's internet website in addition to other publishing
159 requirements, and provide liability insurance to indemnify the school, its board,
160 staff and teachers against tort claims. A charter school that receives local
161 educational agency status under subsection 6 of this section shall meet the
162 requirements imposed by the Elementary and Secondary Education Act for audits
163 of such agencies and comply with all federal audit requirements for charters with
164 local educational agency status. For purposes of an audit by petition under
165 section 29.230, a charter school shall be treated as a political subdivision on the
166 same terms and conditions as the school district in which it is located. For the
167 purposes of securing such insurance, a charter school shall be eligible for the
168 Missouri public entity risk management fund pursuant to section 537.700. A
169 charter school that incurs debt shall include a repayment plan in its financial
170 plan;

171 (5) Provide a comprehensive program of instruction for at least one grade
172 or age group from early childhood through grade twelve, as specified in its
173 charter;

174 (6) (a) Design a method to measure pupil progress toward the pupil
175 academic standards adopted by the state board of education pursuant to section

176 160.514, establish baseline student performance in accordance with the
177 performance contract during the first year of operation, collect student
178 performance data as defined by the annual performance report throughout the
179 duration of the charter to annually monitor student academic performance, and
180 to the extent applicable based upon grade levels offered by the charter school,
181 participate in the statewide system of assessments, comprised of the essential
182 skills tests and the nationally standardized norm-referenced achievement tests,
183 as designated by the state board pursuant to section 160.518, complete and
184 distribute an annual report card as prescribed in section 160.522, which shall also
185 include a statement that background checks have been completed on the charter
186 school's board members, and report to its sponsor, the local school district, and
187 the state board of education as to its teaching methods and any educational
188 innovations and the results thereof. No charter school shall be considered in the
189 Missouri school improvement program review of the district in which it is located
190 for the resource or process standards of the program.

191 (b) For proposed high-risk or alternative charter schools, sponsors shall
192 approve performance measures based on mission, curriculum, teaching methods,
193 and services. Sponsors shall also approve comprehensive academic and
194 behavioral measures to determine whether students are meeting performance
195 standards on a different time frame as specified in that school's charter. Student
196 performance shall be assessed comprehensively to determine whether a high-risk
197 or alternative charter school has documented adequate student progress. Student
198 performance shall be based on sponsor-approved comprehensive measures as well
199 as standardized public school measures. Annual presentation of charter school
200 report card data to the department of elementary and secondary education, the
201 state board, and the public shall include comprehensive measures of student
202 progress.

203 (c) Nothing in this subdivision shall be construed as permitting a charter
204 school to be held to lower performance standards than other public schools within
205 a district; however, the charter of a charter school may permit students to meet
206 performance standards on a different time frame as specified in its charter. The
207 performance standards for alternative and special purpose charter schools that
208 target high-risk students as defined in subdivision (5) of subsection 2 of this
209 section shall be based on measures defined in the school's performance contract
210 with its sponsors;

211 (7) Comply with all applicable federal and state laws and regulations

212 regarding students with disabilities, including sections 162.670 to 162.710, the
213 Individuals with Disabilities Education Act (20 U.S.C. Section 1400) and Section
214 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794) or successor
215 legislation;

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

218 (a) Documentation that the applicant has provided a copy of the
219 application to the school board of the district in which the charter school is to be
220 located, except in those circumstances where the school district is the sponsor of
221 the charter school; and

222 (b) A statement outlining the reasons for approval or denial by the
223 sponsor, specifically addressing the requirements of sections 160.400 to 160.425
224 and 167.349.

225 5. (1) Proposed or existing high-risk or alternative charter schools may
226 include alternative arrangements for students to obtain credit for satisfying
227 graduation requirements in the school's charter application and
228 charter. Alternative arrangements may include, but not be limited to, credit for
229 off-campus instruction, embedded credit, work experience through an internship
230 arranged through the school, and independent studies. When the state board of
231 education approves the charter, any such alternative arrangements shall be
232 approved at such time.

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

238 6. The charter of a charter school may be amended at the request of the
239 governing body of the charter school and on the approval of the sponsor. The
240 sponsor and the governing board and staff of the charter school shall jointly
241 review the school's performance, management and operations during the first year
242 of operation and then every other year after the most recent review or at any
243 point where the operation or management of the charter school is changed or
244 transferred to another entity, either public or private. The governing board of a
245 charter school may amend the charter, if the sponsor approves such amendment,
246 or the sponsor and the governing board may reach an agreement in writing to
247 reflect the charter school's decision to become a local educational agency. In such

248 case the sponsor shall give the department of elementary and secondary
249 education written notice no later than March first of any year, with the
250 agreement to become effective July first. The department may waive the March
251 first notice date in its discretion. The department shall identify and furnish a list
252 of its regulations that pertain to local educational agencies to such schools within
253 thirty days of receiving such notice.

254 7. Sponsors shall annually review the charter school's compliance with
255 statutory standards including:

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

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

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

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

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

265 8. (1) (a) A sponsor's policies shall give schools clear, adequate,
266 evidence-based, and timely notice of contract violations or performance
267 deficiencies and mandate intervention based upon findings of the state board of
268 education of the following:

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

272 b. The charter school's annual performance report results are below the
273 district's annual performance report results based on the performance standards
274 that are applicable to the grade level configuration of both the charter school and
275 the district in which the charter school is located in three of the last four school
276 years; and

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

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

281 a. Clear evidence of underperformance as demonstrated in the charter
282 school's annual performance report in three of the last four school years; or

283 b. A violation of the law or the public trust that imperils students or

284 public funds.

285 (c) A sponsor shall revoke a charter or take other appropriate remedial
286 action, which may include placing the charter school on probationary status for
287 no more than twenty-four months, provided that no more than one designation
288 of probationary status shall be allowed for the duration of the charter contract,
289 at any time if the charter school commits a serious breach of one or more
290 provisions of its charter or on any of the following grounds: failure to meet the
291 performance contract as set forth in its charter, failure to meet generally accepted
292 standards of fiscal management, failure to provide information necessary to
293 confirm compliance with all provisions of the charter and sections 160.400 to
294 160.425 and 167.349 within forty-five days following receipt of written notice
295 requesting such information, or violation of law.

296 (2) The sponsor may place the charter school on probationary status to
297 allow the implementation of a remedial plan, which may require a change of
298 methodology, a change in leadership, or both, after which, if such plan is
299 unsuccessful, the charter may be revoked.

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

305 (4) The sponsor of a charter school shall establish procedures to conduct
306 administrative hearings upon determination by the sponsor that grounds exist to
307 revoke a charter. Final decisions of a sponsor from hearings conducted pursuant
308 to this subsection are subject to an appeal to the state board of education, which
309 shall determine whether the charter shall be revoked.

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

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

316 9. (1) A sponsor shall take all reasonable steps necessary to confirm that
317 each charter school sponsored by such sponsor is in material compliance and
318 remains in material compliance with all material provisions of the charter and
319 sections 160.400 to 160.425 and 167.349. Every charter school shall provide all

320 information necessary to confirm ongoing compliance with all provisions of its
321 charter and sections 160.400 to 160.425 and 167.349 in a timely manner to its
322 sponsor.

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

326 (a) The charter school has maintained results on its annual performance
327 report that meet or exceed the district in which the charter school is located
328 based on the performance standards that are applicable to the grade-level
329 configuration of both the charter school and the district in which the charter
330 school is located in three of the last four school years;

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

333 a. A negative balance in its operating funds;

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

336 c. Expenditures that exceed receipts for the most recently completed fiscal
337 year;

338 (c) The charter is in compliance with its legally binding performance
339 contract and sections 160.400 to 160.425 and section 167.349; and

340 (d) The charter school has an annual performance report consistent with
341 a classification of accredited for three of the last four years and is fiscally viable
342 as described in paragraph (b) of this subdivision. If such is the case, the charter
343 school may have an expedited renewal process as defined by rule of the
344 department of elementary and secondary education.

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

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

354 (c) Using the data requested and the revised charter application under
355 paragraphs (a) and (b) of this subdivision, the state board of education shall

356 determine if compliance with all standards enumerated in this subdivision has
357 been achieved. The state board of education at its next regularly scheduled
358 meeting shall vote on the revised charter application.

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

361 10. A school district may enter into a lease with a charter school for
362 physical facilities.

363 11. A governing board or a school district employee who has control over
364 personnel actions shall not take unlawful reprisal against another employee at
365 the school district because the employee is directly or indirectly involved in an
366 application to establish a charter school. A governing board or a school district
367 employee shall not take unlawful reprisal against an educational program of the
368 school or the school district because an application to establish a charter school
369 proposes the conversion of all or a portion of the educational program to a charter
370 school. As used in this subsection, "unlawful reprisal" means an action that is
371 taken by a governing board or a school district employee as a direct result of a
372 lawful application to establish a charter school and that is adverse to another
373 employee or an educational program.

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

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

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

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

386 (2) An insurance policy issued by an insurance company licensed to do
387 business in Missouri on all employees in the amount of five hundred thousand
388 dollars or more that provides coverage in the event of employee theft; **or**

389 **(3) The financial statements of the charter school sponsor in a**
390 **manner consistent with generally accepted accounting principles and**
391 **make such financial statements available to the public.**

392 15. The department of elementary and secondary education shall calculate
393 an annual performance report for each charter school and shall publish it in the
394 same manner as annual performance reports are calculated and published for
395 districts and attendance centers.

396 16. The joint committee on education shall create a committee to
397 investigate facility access and affordability for charter schools. The committee
398 shall be comprised of equal numbers of the charter school sector and the public
399 school sector and shall report its findings to the general assembly by December
400 31, 2016.

 355.846. 1. Except as provided in the articles or bylaws of a public benefit
2 corporation which is a church or convention or association of churches, a
3 corporation upon written demand from a member or resident shall furnish that
4 member or resident its latest annual financial statements, which may be
5 consolidated or combined statements of the corporation and one or more of its
6 subsidiaries or affiliates, as appropriate, that include a balance sheet as of the
7 end of the fiscal year and statement of operations for that year. If financial
8 statements are prepared for the corporation on the basis of generally accepted
9 accounting principles, the annual financial statements must also be prepared on
10 that basis.

11 2. If annual financial statements are reported upon by a certified public
12 accountant, the accountant's report must accompany them. If not, the statements
13 must be accompanied by the statement of the president or the person responsible
14 for the corporation's financial accounting records:

15 (1) Stating the president's or other person's reasonable belief as to
16 whether the statements were prepared on the basis of generally accepted
17 accounting principles and, if not, describing the basis of preparation; and

18 (2) Describing any respects in which the statements were not prepared on
19 a basis of accounting consistent with the statements prepared for the preceding
20 year.

21 **3. Notwithstanding any provision of the articles or bylaws any**
22 **corporation formed under this chapter that has a contract with the**
23 **state or a political subdivision thereof the revenues from which exceed**
24 **fifty percent of the entity's revenue for any year shall make its annual**
25 **financial statements available to the government entity from which it**
26 **receives such revenue and to the public.**