

DeKalb Board of Education Inquiry

Re: Conversion Charter School Funding & Autonomy in Proposed Board Policy IBB & IBB-R

Board Member Question: *“We discussed that the state gives guidance on funding independent charters and little guidance in funding conversion charters. How to fund conversion charters, financial and HR autonomy are some of the biggest pain points for conversion charters right now. Many conversion charters are looking to renew their charter in August and need guidance from the district congruent with the state memo. The charter policy updates do not address conversion charter funding and finance/hr autonomy. What is the status of updating the charter policy changes to reflect hr and finance? I don't see any reason we can't fund conversion charters like independent charters if they are high performing charters requesting that autonomy.”*

Answer: District staff, upon prior conference with the District's legal counsel, provides the following explanations and information to the inquiry regarding conversion charter schools, in relation to Proposed Board Policy IBB and IBB-R, currently pending Board of Education approval. In addition to the response below, the District has provided a *“Board Policy IBB Revisions Chart”* upon Board request on June 1, 2015.

1. **State Law & Regulation:** The proposed IBB and IBB-R incorporate by reference the most recent state law, State Board Rules, and Guidelines, thus the district does not need to repeat the state's requirements for autonomy within its own rules. This prevents the district from having to revise its policies every time the state changes its policies, which happens often with charters.
 - a. The State Memo referred to is not the most current State Board Rule or Guidance on the autonomy granted to charter schools, both start-up and conversions, and thus is not controlling law, rule, or guidance. The Georgia Department of Education's Charter Division captured their final policy recommendations in the new charter school rules and guidelines passed by the State Board of Education in November of 2014. The proposed IBB policy reflects the most recent state law, State Board Rules, and State Board Guidelines on charters.
2. **Substantial Autonomy:** The new rule regarding the autonomy to be given to charter schools, both conversions and start-ups, is not final autonomy but substantial autonomy.
 - a. *“Substantial autonomy”* is defined as “the nonprofit governing board of a charter school shall have authority to make, but is not limited to, personnel decisions, including selection of the principal or school leader; financial decisions and resource allocation decisions, including establishing the number and type of personnel, curriculum costs, supply costs, equipment costs and maintenance and operations costs; selection of a curriculum and accompanying instructional materials; establishment and monitoring of the achievement of school improvement goals, including approval of the school improvement plan and oversight of its implementation; and operations that are consistent with school improvement goals. The local board shall only override decisions of a conversion charter school's governing board in those areas where the local board has constitutional authority and has a reasonable belief that a decision will be substantially detrimental to students and is not in the public interest.”
 - b. The State Board recognizes that districts can define how the autonomy above is operationalized for conversion charters within the district's current operational framework, a point which is included in the conversion charter contract that is signed between the state, the district, and the charter school.
3. **There is nothing in the proposed IBB or IBB-R that prevents a charter school, conversion or start-up, from requesting whatever level of autonomy they desire.** Some governing boards

DeKalb Board of Education Inquiry

Re: Conversion Charter School Funding & Autonomy in Proposed Board Policy IBB & IBB-R

may be high quality and request a high level of autonomy--if the Board feels that the level of autonomy requested is appropriate, the Board can approve the charter school. If the Governing Board is not believed capable of wielding the autonomy requested, the Board can vote to deny that charter. By addressing autonomy requests through the approval process, this allows the DeKalb Board to take into consideration specific schools and whether a particular governing board has the capacity to handle the level of autonomy requested. **Ultimately, the state cannot take away the District and the Board's constitutional obligation to control and manage its schools, and so all of these requirements must be read in the context of that obligation.**

4. **Funding:** Both the current and proposed IBB state the district will fund its charters, conversion and start-up, according to law, State Board Rules, and Guidelines. The only legal requirement for conversion charter school funding is that they are funded no less favorably than traditional charter schools. Of course, districts can always choose to provide funding in excess of what is required by law, but this would require the district's financial office to vet the impacts such a policy change would incur. As it stands, the proposed IBB and IBB-R were drafted to be cost-neutral changes to improve the district's charter policies and practices and increase transparency. Changing how the district funds its conversion charter schools would have impacts that have not been considered or vetted by the district and would make the policy change cost-incurring for an undetermined amount.