

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1085 Session of 2013

INTRODUCED BY SMUCKER, WILLIAMS, BAKER, FOLMER, WAUGH, ALLOWAY, PILEGGI, VANCE AND EICHELBERGER, AUGUST 27, 2013

AS AMENDED ON THIRD CONSIDERATION, JUNE 26, 2014

AN ACT

1 ~~Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An <--~~
2 ~~act relating to the public school system, including certain~~
3 ~~provisions applicable as well to private and parochial~~
4 ~~schools; amending, revising, consolidating and changing the~~
5 ~~laws relating thereto," in terms and courses of study,~~
6 ~~further providing for agreements with institutions of higher~~
7 ~~education; in opportunities for educational excellence,~~
8 ~~further providing for definitions and for concurrent~~
9 ~~enrollment agreements; and extensively revising charter~~
10 ~~school provisions.~~

11 AMENDING THE ACT OF MARCH 10, 1949 (P.L.30, NO.14), ENTITLED "AN <--
12 ACT RELATING TO THE PUBLIC SCHOOL SYSTEM, INCLUDING CERTAIN
13 PROVISIONS APPLICABLE AS WELL TO PRIVATE AND PAROCHIAL
14 SCHOOLS; AMENDING, REVISING, CONSOLIDATING AND CHANGING THE
15 LAWS RELATING THERETO," IN TERMS AND COURSES OF STUDY,
16 FURTHER PROVIDING FOR AGREEMENTS WITH INSTITUTIONS OF HIGHER
17 EDUCATION; IN OPPORTUNITIES FOR EDUCATIONAL EXCELLENCE,
18 FURTHER PROVIDING FOR DEFINITIONS AND FOR CONCURRENT
19 ENROLLMENT AGREEMENTS; AND EXTENSIVELY REVISING CHARTER
20 SCHOOL PROVISIONS.

21 The General Assembly of the Commonwealth of Pennsylvania
22 hereby enacts as follows:

23 ~~Section 1. Section 1525 of the act of March 10, 1949 <--~~
24 ~~(P.L.30, No.14), known as the Public School Code of 1949, added~~
25 ~~July 4, 2004 (P.L.536, No.70), is amended to read:~~

26 ~~Section 1525. Agreements with Institutions of Higher~~
27 ~~Education. Notwithstanding any other provision of law to the~~

1 ~~contrary, a school district, charter school, regional charter~~
2 ~~school, cyber charter school or area vocational technical school~~
3 ~~may enter into an agreement with one or more institutions of~~
4 ~~higher education approved to operate in this Commonwealth in~~
5 ~~order to allow [resident] students to attend such institutions~~
6 ~~of higher education while the [resident] students are enrolled~~
7 ~~in the school district, charter school, regional charter school,~~
8 ~~cyber charter school or area vocational technical school.~~ The
9 agreement may be structured so that high school students may
10 receive credits toward completion of courses at the school
11 ~~district, charter school, regional charter school, cyber charter~~
12 ~~school or area vocational technical school~~ and at institutions
13 of higher education approved to operate in this Commonwealth.

14 Section 2. ~~The definitions of "concurrent student" and~~
15 ~~"school entity" in section 1602 B of the act, added July 13,~~
16 ~~2005 (P.L.226, No.46), are amended to read:~~

17 Section 1602 B. ~~Definitions.~~

18 ~~The following words and phrases when used in this article~~
19 ~~shall have the meanings given to them in this section unless the~~
20 ~~context clearly indicates otherwise:~~

21 * * *

22 "Concurrent student." ~~A student who is enrolled in a school~~
23 ~~district, a charter school, a regional charter school, a cyber~~
24 ~~charter school, an area vocational technical school, a nonpublic~~
25 ~~school, a private school or a home education program under~~
26 ~~section 1327.1 and who takes a concurrent course through a~~
27 ~~concurrent enrollment program.~~

28 * * *

29 "School entity." ~~A school district, a charter school, a~~
30 ~~regional charter school, a cyber charter school or an area~~

1 ~~vocational technical school.~~

2 ~~* * *~~

3 ~~Section 3. Section 1613 B of the act is amended by adding a~~
4 ~~subsection to read:~~

5 ~~Section 1613 B. Concurrent enrollment agreements.~~

6 ~~* * *~~

7 ~~(c) Charter schools, regional charter schools and cyber~~
8 ~~charter schools. Charter schools, regional charter schools and~~
9 ~~cyber charter schools shall have the power and authority to~~
10 ~~enter into a concurrent enrollment agreement with an institution~~
11 ~~of higher education and appropriate credit shall be awarded to~~
12 ~~students concurrently enrolled under the agreement.~~

13 ~~Section 4. Section 1703 A of the act, amended June 29, 2002-~~
14 ~~(P.L.524, No.88), is amended to read:~~

15 ~~Section 1703 A. Definitions. As used in this article,~~

16 ~~"Administrator" shall include an employe of a charter school~~
17 ~~entity, including the chief administrator of a charter school~~
18 ~~entity and any other employe, who by virtue of the employe's~~
19 ~~position is responsible for taking official action of a~~
20 ~~nonministerial nature with regard to contracting or procurement,~~
21 ~~administering or monitoring grants or subsidies, managing or~~
22 ~~regulating staff, student and school activities or any activity~~
23 ~~where the official action has an economic impact of greater than~~
24 ~~a de minimis nature on the interests of any person.~~

25 ~~"Appeal board" shall mean the State Charter School Appeal~~
26 ~~Board established by this article.~~

27 ~~"Assessment" shall mean the Pennsylvania System of School~~
28 ~~Assessment test, the Keystone Exam or another test established~~
29 ~~by the State board to meet the requirements of section 2603-~~
30 ~~B(d)(10)(i) and required under the No Child Left Behind Act of~~

1 ~~2001 (Public Law 107-110, 115 Stat. 1425) or its successor~~
2 ~~Federal statute.~~

3 ~~"At-risk student" shall mean a student at risk of educational~~
4 ~~failure because of limited English proficiency, poverty,~~
5 ~~community factors, truancy, academic difficulties or economic~~
6 ~~disadvantage.~~

7 ~~"Charter school" shall mean an independent public school~~
8 ~~established and operated under a charter from the local board of~~
9 ~~school directors or the governing body of an institution of~~
10 ~~higher education and in which students are enrolled or attend. A~~
11 ~~charter school must be organized as a public, nonprofit~~
12 ~~corporation. Charters may not be granted to any for-profit~~
13 ~~entity.~~

14 ~~"Charter school entity" shall mean a charter school, regional~~
15 ~~charter school or cyber charter school.~~

16 ~~"Charter school foundation" shall mean a nonprofit~~
17 ~~organization, as defined under section 501(c)(3) of the Internal~~
18 ~~Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3)),~~
19 ~~that provides funding, resources or otherwise serves to support~~
20 ~~a charter school entity, either directly or through an~~
21 ~~affiliated entity.~~

22 ~~"Chief administrator" shall mean an individual appointed by a~~
23 ~~board of trustees to oversee and manage the operation of a~~
24 ~~charter school entity. The term shall not include a professional~~
25 ~~staff member under this article.~~

26 ~~{"Chief executive officer" shall mean an individual appointed~~
27 ~~by the board of trustees to oversee and manage the operation of~~
28 ~~the charter school, but who shall not be deemed a professional~~
29 ~~staff member under this article.}~~

30 ~~"Commission." The Charter School Funding Advisory~~

1 ~~Commission.~~

2 ~~"Cyber charter school" shall mean an independent public~~
3 ~~school established and operated under a charter from the~~
4 ~~Department of Education and in which the school uses technology,~~
5 ~~including electronic or digital books, in order to provide a~~
6 ~~significant portion of its curriculum and to deliver a~~
7 ~~significant portion of instruction to its students through the~~
8 ~~Internet or other electronic means. A cyber charter school must~~
9 ~~be organized as a public, nonprofit corporation. A charter may~~
10 ~~not be granted to a for profit entity.~~

11 ~~"Department" shall mean the Department of Education of the~~
12 ~~Commonwealth.~~

13 ~~"Educational management service provider" shall mean a for~~
14 ~~profit education management organization, nonprofit charter~~
15 ~~management organization, school design provider, business~~
16 ~~manager or any other partner entity with which a board of~~
17 ~~trustees of a charter school entity contracts to provide~~
18 ~~educational design, business services, comprehensive management~~
19 ~~or personnel functions or to implement the charter. The term~~
20 ~~shall not include a charter school foundation.~~

21 ~~"Governing board of an institution of higher education" shall~~
22 ~~mean an institution of higher education subject to section~~
23 ~~1728.1 A which elects by affirmative vote of a majority of all~~
24 ~~members to become an authorizer of charter schools and regional~~
25 ~~charter schools and which assumes the same powers and duties as~~
26 ~~a local board of school directors under this article. The term~~
27 ~~does not include a governing board of an institution of higher~~
28 ~~education that does not vote affirmatively to become an~~
29 ~~authorizer.~~

30 ~~"Immediate family member" shall mean a parent, spouse, child,~~

1 ~~brother or sister.~~

2 ~~"Local board of school directors" shall mean the board of~~
3 ~~directors of a school reform commission or other governing~~
4 ~~authority of a school district or a financial recovery school~~
5 ~~district in which a proposed or an approved charter school is~~
6 ~~located.~~

7 ~~"Nonrelated" shall mean an individual who is not an immediate~~
8 ~~family member.~~

9 ~~"Regional charter school" shall mean an independent public~~
10 ~~school established and operated under a charter from more than~~
11 ~~one local board of school directors or the governing board of an~~
12 ~~institution of higher education and in which students are~~
13 ~~enrolled or attend. A regional charter school must be organized~~
14 ~~as a public, nonprofit corporation. Charters may not be granted~~
15 ~~to any for profit entity.~~

16 ~~"Right to Know Law" shall mean the act of February 14, 2008~~
17 ~~(P.L.6, No.3), known as the "Right to Know Law."~~

18 ~~"School district of residence" shall mean the school district~~
19 ~~in this Commonwealth in which [the parents or guardians of a~~
20 ~~child reside] a child resides as determined under section 1302~~
21 ~~and 22 Pa. Code § 11.11(a)(1) (relating to entitlement of~~
22 ~~resident children to attend public schools).~~

23 ~~"School entity" shall mean a school district, intermediate~~
24 ~~unit, joint school or area vocational technical school.~~

25 ~~"Secretary" shall mean the Secretary of Education of the~~
26 ~~Commonwealth.~~

27 ~~"State board" shall mean the State Board of Education of the~~
28 ~~Commonwealth.~~

29 ~~Section 5. The act is amended by adding a section to read:~~
30 ~~Section 1704 A. Charter School Funding Advisory~~

1 ~~Commission. (a) The Governor shall immediately convene a~~
2 ~~Statewide advisory commission to be known as the Charter School~~
3 ~~Funding Advisory Commission, to examine the financing of charter~~
4 ~~school entities in the public education system. The commission~~
5 ~~shall examine how charter school entity finances affect~~
6 ~~opportunities for teachers, parents, pupils and community~~
7 ~~members to establish and maintain schools that operate~~
8 ~~independently from the existing school district structure as a~~
9 ~~method of accomplishing the requirements of section 1702 A. The~~
10 ~~Office of the Budget and the department shall provide~~
11 ~~administrative support, meeting space and any other assistance~~
12 ~~required by the commission to carry out its duties under this~~
13 ~~section.~~

14 ~~(b) The commission shall consist of the following members:~~

15 ~~(1) Three members of the Senate appointed by the President~~
16 ~~pro tempore of the Senate, in consultation with the Majority~~
17 ~~Leader and the Minority Leader of the Senate, with two~~
18 ~~appointees from the majority party and one appointee from the~~
19 ~~minority party.~~

20 ~~(2) Three members of the House of Representatives appointed~~
21 ~~by the Speaker of the House of Representatives, in consultation~~
22 ~~with the Majority Leader and the Minority Leader of the House of~~
23 ~~Representatives, with two appointees from the majority party and~~
24 ~~one appointee from the minority party.~~

25 ~~(3) The secretary or a designee.~~

26 ~~(4) To represent the interests of charter school entities,~~
27 ~~the following members who shall be appointed by the Governor:~~

28 ~~(i) One member who shall represent charter schools.~~

29 ~~(ii) One member who shall represent regional charter~~
30 ~~schools.~~

1 ~~(iii) One member who shall represent cyber charter schools.~~

2 ~~(iv) One member who shall be a teacher in a charter school~~
3 ~~entity.~~

4 ~~(v) One member who shall be a parent of a child attending a~~
5 ~~charter school entity.~~

6 ~~(5) To represent the interests of school districts, the~~
7 ~~following members who shall be appointed by the Governor:~~

8 ~~(i) One member who shall be a teacher in a public school~~
9 ~~that is not a charter school entity.~~

10 ~~(ii) One member who shall represent school administrators.~~

11 ~~(iii) Two members who shall represent school board members.~~

12 ~~(iv) One member who shall be a business manager of a school~~
13 ~~district.~~

14 ~~(6) One member who shall represent an institution of higher~~
15 ~~education and who shall be appointed by the Governor.~~

16 ~~(c) Members of the commission shall be appointed within~~
17 ~~twenty (20) days of the effective date of this section. Any~~
18 ~~vacancy on the commission shall be filled by the original~~
19 ~~appointing authority. The commission shall select a chairman and~~
20 ~~vice chairman from among its membership at an organizational~~
21 ~~meeting. The organizational meeting shall take place no later~~
22 ~~than forty five (45) days following the effective date of this~~
23 ~~section.~~

24 ~~(d) The commission shall hold meetings at the call of the~~
25 ~~chairman. The commission may also hold public hearings on the~~
26 ~~matters to be considered by the commission at locations~~
27 ~~throughout this Commonwealth. All meetings and public hearings~~
28 ~~of the commission shall be deemed public meetings for the~~
29 ~~purpose of 65 Pa.C.S. Ch. 7 (relating to open meetings). Ten~~
30 ~~members of the commission shall constitute a quorum at any~~

1 ~~meeting. Each member of the commission may designate another~~
2 ~~person to represent that member at meetings of the commission.~~

3 ~~(e) Commission members shall receive no compensation for~~
4 ~~their services but shall be reimbursed by the department for all~~
5 ~~necessary travel and other reasonable expenses incurred in~~
6 ~~connection with the performance of their duties as members.~~

7 ~~Whenever possible, the commission shall utilize the services and~~
8 ~~expertise of existing personnel and staff of State government.~~

9 ~~The department may utilize undistributed funds not expended,~~
10 ~~encumbered or committed from appropriations for grants and~~
11 ~~subsidies made to the department, not to exceed three hundred~~
12 ~~thousand dollars (\$300,000), to carry out this section.~~

13 ~~(f) The commission shall have the following powers and~~
14 ~~duties:~~

15 ~~(1) Meet with current charter school entity operators,~~
16 ~~school district personnel and representatives of institutions of~~
17 ~~higher education within this Commonwealth.~~

18 ~~(2) Review charter school entity financing laws in operation~~
19 ~~throughout the United States.~~

20 ~~(3) Explore the actual cost of educating a child in the~~
21 ~~various charter school entities.~~

22 ~~(4) Evaluate and make recommendations on the following:~~

23 ~~(i) Appropriate assessment of fees on charter school~~
24 ~~entities for potentially funding a higher education authorizer~~
25 ~~of charter school entities, including review of independent~~
26 ~~authorizer fees and structures throughout the United States.~~

27 ~~(ii) The process by which charter school entities are funded~~
28 ~~under sections 1725-A and 1752-A.~~

29 ~~(5) Issue a report pursuant to subsection (g).~~

30 ~~(g) The commission shall, no later than August 31, 2014,~~

~~1 issue a report of its findings and recommendations to the
2 Governor, the President pro tempore of the Senate, the Majority
3 Leader and the Minority Leader of the Senate, the chairman and
4 minority chairman of the Appropriations Committee of the Senate,
5 the chairman and minority chairman of the Education Committee of
6 the Senate, the Speaker of the House of Representatives, the
7 Majority Leader and the Minority Leader of the House of
8 Representatives, the chairman and minority chairman of the
9 Appropriations Committee of the House of Representatives and the
10 chairman and minority chairman of the Education Committee of the
11 House of Representatives. The recommendations of the commission
12 shall not take effect unless the recommendations are approved by
13 an act of the General Assembly enacted after the effective date
14 of this section.~~

~~15 Section 6. Section 1715 A of the act, amended or added June
16 19, 1997 (P.L.225, No.22) and July 9, 2008 (P.L.846, No.61), is
17 amended to read:~~

~~18 Section 1715 A. Charter School Entity Requirements. (a)
19 Charter [schools] school entities shall be required to comply
20 with the following provisions:~~

~~21 (1) Except as otherwise provided in this article, a charter
22 school entity is exempt from statutory requirements established
23 in this act, from regulations of the State board and the
24 standards of the secretary not specifically applicable to
25 charter [schools] school entities. Charter [schools] school
26 entities are not exempt from statutes applicable to public
27 schools other than this act.~~

~~28 (2) A charter school entity shall be accountable to the
29 parents, the public and the Commonwealth, with the delineation
30 of that accountability reflected in the charter. Strategies for~~

1 ~~meaningful parent and community involvement shall be developed~~
2 ~~and implemented by each school.~~

3 ~~(3) A charter school entity shall not unlawfully~~
4 ~~discriminate in admissions, hiring or operation.~~

5 ~~(4) A charter school entity shall be nonsectarian in all~~
6 ~~operations.~~

7 ~~(5) (i) A charter school entity shall not provide any~~
8 ~~religious instruction, nor shall it display religious objects~~
9 ~~and symbols on the premises of the charter school. The charter~~
10 ~~school entity shall provide for discrete and separate entrances~~
11 ~~to buildings utilized for school purposes only.~~

12 ~~(ii) It shall not be a violation of this section for a~~
13 ~~charter school entity to utilize a sectarian facility:~~

14 ~~(A) if the religious objects and symbols within the portions~~
15 ~~of the facility utilized by the school are covered or removed to~~
16 ~~the extent reasonably feasible; or~~

17 ~~(B) in which the unused portion of the facility or its~~
18 ~~common areas contain religious symbols and objects.~~

19 ~~(6) A charter school entity shall not advocate unlawful~~
20 ~~behavior.~~

21 ~~(7) A charter school or regional charter school shall only~~
22 ~~be subject to the laws and regulations as provided for in~~
23 ~~section 1732 A, or as otherwise provided for in this article.~~

24 ~~(7.1) A cyber charter school shall only be subject to the~~
25 ~~laws and regulations as provided for in section 1749 A or as~~
26 ~~otherwise provided for in this act.~~

27 ~~(8) A charter school entity shall participate in [the~~
28 ~~Pennsylvania State Assessment System as provided for in 22 Pa.~~
29 ~~Code Ch. 5 (relating to curriculum), or subsequent regulations~~
30 ~~promulgated to replace 22 Pa. Code Ch. 5,] assessments in the~~

1 ~~manner in which the school district in which the charter school~~
2 ~~entity is located is scheduled to participate.~~

3 ~~(9) A charter school entity shall provide a minimum of one~~
4 ~~hundred eighty (180) days of instruction or nine hundred (900)~~
5 ~~hours per year of instruction at the elementary level, or nine~~
6 ~~hundred ninety (990) hours per year of instruction at the~~
7 ~~secondary level. Nothing in this clause shall preclude the use~~
8 ~~of computer and satellite linkages for delivering instruction to~~
9 ~~students.~~

10 ~~(10) Boards of trustees and contractors of charter [schools]~~
11 ~~school entities shall be subject to the following statutory~~
12 ~~requirements governing construction projects and construction~~
13 ~~related work:~~

14 ~~(i) The following provisions of this act:~~

15 ~~(A) Sections 751 and 751.1.~~

16 ~~(B) Sections 756 and 757 insofar as they are consistent with~~
17 ~~the act of December 20, 1967 (P.L.869, No.385), known as the~~
18 ~~"Public Works Contractors' Bond Law of 1967."~~

19 ~~(ii) Section 1 of the act of May 1, 1913 (P.L.155, No.104),~~
20 ~~entitled "An act regulating the letting of certain contracts for~~
21 ~~the erection, construction, and alteration of public buildings."~~

22 ~~(iii) The act of August 11, 1961 (P.L.987, No.442), known as~~
23 ~~the "Pennsylvania Prevailing Wage Act."~~

24 ~~(iv) The "Public Works Contractors' Bond Law of 1967."~~

25 ~~(v) The act of March 3, 1978 (P.L.6, No.3), known as the~~
26 ~~"Steel Products Procurement Act."~~

27 ~~(11) Trustees of a charter school entity shall be public~~
28 ~~officials[.] for the purposes of 65 Pa.C.S. Ch. 11 (relating to~~
29 ~~ethics standards and financial disclosure) and shall file a~~
30 ~~statement of financial interests for the preceding calendar year~~

~~1 with both the State Ethics Commission and either the local board
2 of school directors or the governing body of an institution of
3 higher education in the case of a charter school or regional
4 charter school or, in the case of a cyber charter school, the
5 department, not later than May 1 of each year that members hold
6 the position and of the year after a member leaves the position.
7 All members of the board of trustees of a charter school entity
8 shall take the oath of office as required under section 321
9 before entering upon the duties of their office.~~

~~10 [(12) A person who serves as an administrator for a charter
11 school shall not receive compensation from another charter
12 school or from a company that provides management or other
13 services to another charter school. The term "administrator"
14 shall include the chief executive officer of a charter school
15 and all other employees of a charter school who by virtue of
16 their positions exercise management or operational oversight
17 responsibilities. A person who serves as an administrator for a
18 charter school shall be a public official under 65 Pa.C.S. Ch.
19 11 (relating to ethics standards and financial disclosure). A
20 violation of this clause shall constitute a violation of 65
21 Pa.C.S. § 1103(a) (relating to restricted activities), and the
22 violator shall be subject to the penalties imposed under the
23 jurisdiction of the State Ethics Commission.]~~

~~24 (b) An individual who serves as an administrator for a
25 charter school entity shall be a public employe for the purposes
26 of 65 Pa.C.S. Ch. 11 and shall file a statement of financial
27 interests for the preceding calendar year with the board of
28 trustees not later than May 1 of each year that the person holds
29 the position and of the year after the person leaves the
30 position.~~

1 ~~(c) (1) No individual who serves as an administrator for a~~
2 ~~charter school entity may receive compensation from another~~
3 ~~charter school entity or from an educational management service~~
4 ~~provider, unless:~~

5 ~~(i) The administrator has submitted a sworn statement to the~~
6 ~~board of trustees of the charter school entity and the sworn~~
7 ~~statement details the work for the other entity and includes the~~
8 ~~projected number of hours, rate of compensation and projected~~
9 ~~duration.~~

10 ~~(ii) The board of trustees of the charter school entity has~~
11 ~~reviewed the sworn statement under subclause (i) and agreed by~~
12 ~~resolution to grant permission to the administrator.~~

13 ~~(2) A copy of the sworn statement under clause (1) (i) and~~
14 ~~the resolution by the board of trustees of the charter school~~
15 ~~entity granting the permission shall be kept on file with the~~
16 ~~charter school entity and the board of local school directors or~~
17 ~~the governing board of the institution of higher education and,~~
18 ~~in the case of a cyber charter school, the department.~~

19 ~~(3) No administrator of a charter school entity or immediate~~
20 ~~family member may serve as a voting member of the board of~~
21 ~~trustees of that individual's charter school.~~

22 ~~(4) (i) No administrator of a charter school entity may~~
23 ~~participate in the selection, award or administration of a~~
24 ~~contract if the person has a conflict of interest as that term~~
25 ~~is defined in 65 Pa.C.S. § 1102 (relating to definitions).~~

26 ~~(ii) An administrator who knowingly violates this clause~~
27 ~~commits a violation of 65 Pa.C.S. § 1103(a) (relating to~~
28 ~~restricted activities) and shall be subject to the penalties~~
29 ~~imposed under the jurisdiction of the State Ethics Commission.~~

30 ~~(iii) Any contract made in violation of this clause shall be~~

1 ~~voidable by the board of trustees of the charter school entity.~~

2 ~~(5) An administrator shall be immediately dismissed upon~~
3 ~~conviction for an offense graded as a felony, an infamous crime,~~
4 ~~an offense pertaining to fraud, theft or mismanagement of public~~
5 ~~funds or any crime involving moral turpitude.~~

6 ~~(d) The board of trustees of a charter school entity shall~~
7 ~~supply the secretary and, in the case of a charter school or~~
8 ~~regional charter school, the local board of school directors or~~
9 ~~the governing board of an institution of higher education a list~~
10 ~~of the amount of rental payments, which are guarantees for~~
11 ~~school building debt or bonds that become due during the fiscal~~
12 ~~year together with the amount paid on each item of indebtedness.~~
13 ~~Any charter school entity that elects to issue debt shall hold~~
14 ~~in escrow an amount sufficient to pay the annual amount of the~~
15 ~~sum of the principal maturing or subject to mandatory redemption~~
16 ~~and interest owing by the charter school entity or sinking fund~~
17 ~~deposit due by the charter school entity.~~

18 ~~(e) Fund balance limits shall be as follows:~~

19 ~~(1) For the 2013-2014 school year and each school year~~
20 ~~thereafter, a charter school entity shall not accumulate an~~
21 ~~unassigned fund balance greater than the charter school entity~~
22 ~~fund balance limit, which will be determined as follows:~~

Charter School Entity	Maximum Unassigned Fund
Total Budgeted Expenditures	Balance as Percentage of
Total Budgeted Expenditures	Total Budgeted Expenditures
Less than or equal to \$11,999,999	—12%
Between \$12,000,000 and \$12,999,999	11.5%
Between \$13,000,000 and \$13,999,999	—11%
Between \$14,000,000 and \$14,999,999	10.5%
Between \$15,000,000 and \$15,999,999	—10%

1	Between \$16,000,000 and \$16,999,999	-9.5%
2	Between \$17,000,000 and \$17,999,999	—9%
3	Between \$18,000,000 and \$18,999,999	-8.5%
4	Greater Than or Equal to \$19,000,000	—8%

5 ~~(2) Any unassigned fund balance in place on June 30, 2014,~~
6 ~~that exceeds the charter school entity fund balance limit shall~~
7 ~~be refunded on a pro rata basis within 90 days to all school~~
8 ~~districts that paid tuition to the charter school entity on~~
9 ~~behalf of students enrolled in the 2012-2013 and 2013-2014~~
10 ~~school years. The funds may not be used to pay bonuses to any~~
11 ~~administrator, board of trustee member, employe, staff or~~
12 ~~contractor and may not be transferred to a charter school~~
13 ~~foundation.~~

14 ~~(3) For the 2014-2015 school year and each school year~~
15 ~~thereafter, any unassigned fund balance in excess of the charter~~
16 ~~school entity fund balance limit shall be refunded on a pro rata~~
17 ~~basis to all school districts that paid tuition to the charter~~
18 ~~school entity in the prior school year.~~

19 ~~(4) By August 15, 2014, and August 15 of each year~~
20 ~~thereafter, each charter school entity shall provide the~~
21 ~~secretary and, in the case of a charter school or regional~~
22 ~~charter school, the local board of school directors or the~~
23 ~~governing board of an institution of higher education with~~
24 ~~information certifying compliance with this section. The~~
25 ~~information shall be provided in a form and manner prescribed by~~
26 ~~the board and shall include information on the charter school~~
27 ~~entity's estimated ending unassigned fund balance expressed as a~~
28 ~~dollar amount and as a percentage of the charter school entity's~~
29 ~~total budgeted expenditures for that school year.~~

30 ~~Section 7. Section 1716 A(c) of the act, added June 19, 1997-~~

1 ~~(P.L.225, No.22), is amended and the section is amended by~~
2 ~~adding subsections to read:~~

3 ~~Section 1716 A. Powers of Board of Trustees. * * *~~

4 ~~(b.1) (1) For a charter school or regional charter school~~
5 ~~chartered after the effective date of this subsection, an~~
6 ~~individual shall be prohibited from serving as a voting member~~
7 ~~of the board of trustees of the charter school or regional~~
8 ~~charter school if the individual or an immediate family member~~
9 ~~receives compensation from or is employed by or is a board~~
10 ~~member of the local board of school directors or the governing~~
11 ~~board of an institution of higher education who participated in~~
12 ~~the initial review, approval, oversight, evaluation or renewal~~
13 ~~process of the charter school or regional charter school~~
14 ~~chartered by that board.~~

15 ~~(2) An employe of the school district or the governing board~~
16 ~~of an institution of higher education that chartered the charter~~
17 ~~school or the regional charter school may serve as a member of~~
18 ~~the board of trustees of the charter school or regional charter~~
19 ~~school without voting privileges.~~

20 ~~(b.2) (1) No member of the board of trustees of a charter~~
21 ~~school entity may participate in the selection, award or~~
22 ~~administration of any contract if the member has a conflict of~~
23 ~~interest as that term is defined in 65 Pa.C.S. § 1102 (relating~~
24 ~~to definitions).~~

25 ~~(2) Any member of the board of trustees of a charter school~~
26 ~~entity who in the discharge of the person's official duties~~
27 ~~would be required to vote on a matter that would result in a~~
28 ~~conflict of interest shall abstain from voting and follow the~~
29 ~~procedures required under 65 Pa.C.S. § 1103(j) (relating to~~
30 ~~restricted activities).~~

1 ~~(3) A member of the board of trustees of a charter school~~
2 ~~entity who knowingly violates this subsection commits a~~
3 ~~violation of 65 Pa.C.S. § 1103(a) and shall be subject to the~~
4 ~~penalties imposed under the jurisdiction of the State Ethics~~
5 ~~Commission.~~

6 ~~(4) A contract made in violation of this subsection shall be~~
7 ~~voidable by a court of competent jurisdiction, if the suit is~~
8 ~~commenced within ninety (90) days of the making of the contract.~~

9 ~~(5) No member of the board of trustees of a charter school~~
10 ~~entity shall be compensated for duties on the board.~~

11 ~~(b.3) A member of the board of trustees of a charter school~~
12 ~~entity shall be automatically disqualified and immediately~~
13 ~~removed from the board upon conviction for an offense graded as~~
14 ~~a felony, an infamous crime, an offense pertaining to fraud,~~
15 ~~theft or mismanagement of public funds, any offense pertaining~~
16 ~~to his official capacity as a board member or any crime~~
17 ~~involving moral turpitude.~~

18 ~~(c) The board of trustees shall comply with [the act of July~~
19 ~~3, 1986 (P.L.388, No.84), known as the "Sunshine Act."] 65~~
20 ~~Pa.C.S. Ch. 7 (relating to open meetings).~~

21 ~~(d) (1) (i) The board of trustees of a charter school~~
22 ~~entity shall consist of a minimum of five (5) nonrelated voting~~
23 ~~members.~~

24 ~~(ii) If a charter school entity has fewer than five (5)~~
25 ~~nonrelated voting members serving on its board on the effective~~
26 ~~date of this subsection, the charter school entity shall, within~~
27 ~~sixty (60) days, appoint additional members to the board to meet~~
28 ~~the minimum requirements of this section.~~

29 ~~(2) Within one (1) year of the effective date of this~~
30 ~~subsection, at least one (1) member of the board of trustees of~~

~~1 a charter school entity shall be a parent of a child currently
2 attending the charter school entity. The board member shall be
3 eligible to serve only so long as the child attends the charter
4 school entity.~~

~~5 (e) (1) A majority of the voting members of the board of
6 trustees shall constitute a quorum. If less than a majority is
7 present at any meeting, no business may be transacted at the
8 meeting.~~

~~9 (2) The affirmative vote of a majority of all the voting
10 members of the board of trustees, duly recorded, shall be
11 required in order to take action on the subjects enumerated
12 under subsection (a).~~

~~13 (f) (1) In any case where the board of trustees of a
14 charter school entity fails to pay or to provide for the
15 payment of:~~

~~16 (i) any indebtedness at date of maturity or date of
17 mandatory redemption or on any sinking fund deposit date; or~~

~~18 (ii) any interest due on such indebtedness on any interest
19 payment date or on any sinking fund deposit date in accordance
20 with the schedule under which the bonds were issued.~~

~~21 The bank or trustee for the bonds shall notify the board of
22 trustees of the charter school entity of its obligation and
23 shall immediately notify the secretary and, in the case of a
24 charter school or regional charter school, the local board of
25 school directors or the governing board of an institution of
26 higher education.~~

~~27 (2) The secretary shall withhold any money due to be paid to
28 the charter school pursuant to section 1725 A in any amount
29 necessary to fully fund the amount held in escrow by the charter
30 school entity which shall be equal to the sum of the principal~~

~~1 amount maturing or subject to mandatory redemption and interest
2 owing by the charter school entity or sinking fund deposit due
3 by such charter school entity and shall require payover of the
4 amount withheld to the bank or trustee acting as the sinking
5 fund depository for the bond issue from the escrow account.~~

~~6 (3) Payments made pursuant to this article shall not be
7 given priority over payments required pursuant to sections 633
8 and 785 and 53 Pa.C.S. § 8125(b) (relating to security for tax
9 anticipation notes and sinking fund), or an agreement pursuant
10 to which the State Treasurer is required to make payment to a
11 holder of debt issued by or on behalf of a school entity, all of
12 which payments continue to be mandatory and ministerial.~~

~~13 Section 8. Sections 1717 A(c), (d), (e), (f) and (i) and
14 1719 A of the act, added June 19, 1997 (P.L.225, No.22), are
15 amended to read:~~

~~16 Section 1717 A. Establishment of Charter School. * * *~~

~~17 (c) An application to establish a charter school shall be
18 submitted to the local board of school directors of the district
19 where the charter school will be located or the governing board
20 of an institution of higher education by [November 15] October 1
21 of the school year preceding the school year in which the
22 charter school will be established except that for a charter
23 school beginning in the 1997-1998 school year, an application
24 must be received by July 15, 1997. In the 1997-1998 school year
25 only, applications shall be limited to recipients of fiscal year
26 1996-1997 Department of Education charter school planning
27 grants.~~

~~28 (d) Within forty five (45) days of receipt of an
29 application, the local board of school directors in which the
30 proposed charter school is to be located or the governing board~~

1 ~~of an institution of higher education shall hold at least one~~
2 ~~public hearing on the provisions of the charter application,~~
3 ~~under [the act of July 3, 1986 (P.L.388, No.84), known as the~~
4 ~~"Sunshine Act."] 65 Pa.C.S. Ch. 7 (relating to open meetings).~~
5 ~~At least forty five (45) days must transpire between the first~~
6 ~~public hearing and the final decision of the board on the~~
7 ~~charter application except that for a charter school beginning~~
8 ~~in the 1997-1998 school year, only thirty (30) days must~~
9 ~~transpire between the first public hearing and the final~~
10 ~~decision of the board.~~

11 ~~(e) (1) Not later than seventy five (75) days after the~~
12 ~~first public hearing on the application, the local board of~~
13 ~~school directors or the governing board of an institution of~~
14 ~~higher education shall grant or deny the application. For a~~
15 ~~charter school beginning in the 1997-1998 school year, the local~~
16 ~~board of school directors shall grant or deny the application no~~
17 ~~later than sixty (60) days after the first public hearing.~~

18 ~~(2) A charter school application submitted under this~~
19 ~~article shall be evaluated by the local board of school~~
20 ~~directors or the governing board of an institution of higher~~
21 ~~education based on criteria, including, but not limited to, the~~
22 ~~following:~~

23 ~~(i) The demonstrated, sustainable support for the charter~~
24 ~~school plan by teachers, parents, other community members and~~
25 ~~students, including comments received at the public hearing held~~
26 ~~under subsection (d).~~

27 ~~(ii) The capability of the charter school applicant, in~~
28 ~~terms of support and planning, to provide comprehensive learning~~
29 ~~experiences to students pursuant to the adopted charter.~~

30 ~~(iii) The extent to which the application considers the~~

1 ~~information requested in section 1719 A and conforms to the~~
2 ~~legislative intent outlined in section 1702 A.~~

3 ~~{(iv) The extent to which the charter school may serve as a~~
4 ~~model for other public schools.}~~

5 ~~(3) The local board of school directors, in the case of an~~
6 ~~existing school being converted to a charter school, shall~~
7 ~~establish the alternative arrangements for current students who~~
8 ~~choose not to attend the charter school.~~

9 ~~(4) A charter application shall be deemed approved by the~~
10 ~~local board of school directors of a school district or the~~
11 ~~governing board of an institution of higher education upon~~
12 ~~affirmative vote by a majority of all the directors. Formal~~
13 ~~action approving or denying the application shall be taken by~~
14 ~~the local board of school directors or the governing board of an~~
15 ~~institution of higher education at a public meeting, with notice~~
16 ~~or consideration of the application given by the board, under~~
17 ~~{the "Sunshine Act."} 65 Pa.C.S. Ch. 7.~~

18 ~~(5) Written notice of the board's action shall be sent to~~
19 ~~the applicant, the department and the appeal board. If the~~
20 ~~application is denied, the reasons for the denial, including a~~
21 ~~description of deficiencies in the application, shall be clearly~~
22 ~~stated in the notice sent by the local board of school directors~~
23 ~~or the governing board of an institution of higher education to~~
24 ~~the charter school applicant.~~

25 ~~(f) At the option of the charter school applicant, a denied~~
26 ~~application may be revised and resubmitted to the local board of~~
27 ~~school directors or the governing board of an institution of~~
28 ~~higher education. Following the appointment and confirmation of~~
29 ~~the Charter School Appeal Board under section 1721 A, the~~
30 ~~decision of the local board of school directors may be appealed~~

1 ~~to the appeal board. When an application is revised and~~
2 ~~resubmitted to the local board of school directors or the~~
3 ~~governing board of an institution of higher education, the board~~
4 ~~may schedule additional public hearings on the revised~~
5 ~~application. The board shall consider the revised and~~
6 ~~resubmitted application at the first board meeting occurring at~~
7 ~~least forty five (45) days after receipt of the revised~~
8 ~~application by the board. For a revised application resubmitted~~
9 ~~for the 1997-1998 school year, the board shall consider the~~
10 ~~application at the first board meeting occurring at least thirty~~
11 ~~(30) days after its receipt. The board shall provide notice of~~
12 ~~consideration of the revised application under [the "Sunshine~~
13 ~~Act. "] 65 Pa.C.S. Ch. 7. No appeal from a decision of a local~~
14 ~~school board may be taken until July 1, 1999.~~

15 ~~* * *~~

16 ~~(i) (1) The appeal board shall have the exclusive review of~~
17 ~~an appeal by a charter school applicant, or by the board of~~
18 ~~trustees of an existing charter school, of a decision made by a~~
19 ~~local board of directors not to grant a charter as provided in~~
20 ~~this section.~~

21 ~~{(2) In order for a charter school applicant to be eligible~~
22 ~~to appeal the denial of a charter by the local board of~~
23 ~~directors, the applicant must obtain the signatures of at least~~
24 ~~two per centum of the residents of the school district or of one~~
25 ~~thousand (1,000) residents, whichever is less, who are over~~
26 ~~eighteen (18) years of age. For a regional charter school, the~~
27 ~~applicant must obtain the signatures of at least two per centum~~
28 ~~of the residents of each school district granting the charter or~~
29 ~~of one thousand (1,000) residents from each of the school~~
30 ~~districts granting the charter, whichever is less, who are over~~

1 ~~eighteen (18) years of age. The signatures shall be obtained~~
2 ~~within sixty (60) days of the denial of the application by the~~
3 ~~local board of directors in accordance with clause (3).~~

4 ~~(3) Each person signing a petition to appeal denial of a~~
5 ~~charter under clause (2) shall declare that he or she is a~~
6 ~~resident of the school district which denied the charter~~
7 ~~application and shall include his or her printed name;~~
8 ~~signature; address, including city, borough or township, with~~
9 ~~street and number, if any; and the date of signing. All pages~~
10 ~~shall be bound together. Additional pages of the petition shall~~
11 ~~be numbered consecutively. There shall be appended to the~~
12 ~~petition a statement that the local board of directors rejected~~
13 ~~the petition for a charter school, the names of all applicants~~
14 ~~for the charter, the date of denial by the board and the~~
15 ~~proposed location of the charter school. No resident may sign~~
16 ~~more than one petition relating to the charter school~~
17 ~~application within the sixty (60) days following denial of the~~
18 ~~application. The department shall develop a form to be used to~~
19 ~~petition for an appeal.~~

20 ~~(4) Each petition shall have appended thereto the affidavit~~
21 ~~of some person, not necessarily a signer, setting forth all of~~
22 ~~the following:~~

23 ~~(i) That the affiant is a resident of the school district~~
24 ~~referred to in the petition.~~

25 ~~(ii) The affiant's residence, giving city, borough or~~
26 ~~township, with street and number, if any.~~

27 ~~(iii) That the signers signed with full knowledge of the~~
28 ~~purpose of the petition.~~

29 ~~(iv) That the signers' respective residences are correctly~~
30 ~~stated in the petition.~~

1 ~~(v) That the signers all reside in the school district.~~

2 ~~(vi) That each signer signed on the date set forth opposite~~
3 ~~the signer's name.~~

4 ~~(vii) That to the best of the affiant's knowledge and~~
5 ~~belief, the signers are residents of the school district.~~

6 ~~(5) If the required number of signatures are obtained within~~
7 ~~sixty (60) days of the denial of the application, the applicant~~
8 ~~may present the petition to the court of common pleas of the~~
9 ~~county in which the charter school would be situated. The court~~
10 ~~shall hold a hearing only on the sufficiency of the petition.~~
11 ~~The applicant and local board of school directors shall be given~~
12 ~~seven (7) days' notice of the hearing. The court shall issue a~~
13 ~~decree establishing the sufficiency or insufficiency of the~~
14 ~~petition. If the petition is sufficient, the decree shall be~~
15 ~~transmitted to the State Charter School Appeal Board for review~~
16 ~~in accordance with this section. Notification of the decree~~
17 ~~shall be given to the applicant and the local board of~~
18 ~~directors.]~~

19 ~~(6) In any appeal, the decision made by the local board of~~
20 ~~directors shall be reviewed by the appeal board on the record as~~
21 ~~certified by the local board of directors. The appeal board~~
22 ~~shall give due consideration to the findings of the local board~~
23 ~~of directors and specifically articulate its reasons for~~
24 ~~agreeing or disagreeing with those findings in its written~~
25 ~~decision. The appeal board shall have the discretion to allow~~
26 ~~the local board of directors and the charter school applicant to~~
27 ~~supplement the record if the supplemental information was~~
28 ~~previously unavailable.~~

29 ~~(7) Not later than thirty (30) days after the date of notice~~
30 ~~of the acceptance of the appeal, the appeal board shall meet to~~

1 ~~officially review the certified record.~~

2 ~~(8) Not later than sixty (60) days following the review~~
3 ~~conducted pursuant to clause (6), the appeal board shall issue a~~
4 ~~written decision affirming or denying the appeal. If the appeal~~
5 ~~board has affirmed the decision of the local board of directors,~~
6 ~~notice shall be provided to both parties.~~

7 ~~(9) A decision of the appeal board to reverse the decision~~
8 ~~of the local board of directors shall serve as a requirement for~~
9 ~~the local board of directors of a school district or school~~
10 ~~districts, as appropriate, to grant the application and sign the~~
11 ~~written charter of the charter school as provided for in section~~
12 ~~1720 A. Should the local board of directors fail to grant the~~
13 ~~application and sign the charter within ten (10) days of notice~~
14 ~~of the reversal of the decision of the local board of directors,~~
15 ~~the charter shall be deemed to be approved and shall be signed~~
16 ~~by the chairman of the appeal board.~~

17 ~~(10) All decisions of the appeal board shall be subject to~~
18 ~~appellate review by the Commonwealth Court.~~

19 ~~(j) Notwithstanding the provisions of section 696(i) or any~~
20 ~~other provision of law to the contrary, a school reform~~
21 ~~commission considering an application to establish a charter~~
22 ~~school in a school district of the first class shall comply with~~
23 ~~subsection (c) (5).~~

24 ~~(k) Notwithstanding the provisions of section 696(i) or any~~
25 ~~other provision of law to the contrary, a charter school~~
26 ~~applicant may appeal a decision of a school reform commission to~~
27 ~~deny an application to establish a charter school in a school~~
28 ~~district of the first class to the appeal board. Subsections~~
29 ~~(g), (h) and (i) shall apply to an appeal under this subsection.~~

30 ~~Section 1719 A. Contents of Application. [An] (a) The~~

~~1 department shall create a standard application form for charter
2 school applicants to establish a charter school entity and for
3 existing charter school entities seeking renewal of their
4 charter. The form shall be published in the Pennsylvania
5 Bulletin and posted on the department's publicly accessible
6 Internet website. The form shall include all of the following
7 information:~~

~~8 (1) The identification of the charter school applicant.~~

~~9 (2) The name of the proposed charter school entity.~~

~~10 (3) The grade or age levels served by the school.~~

~~11 (4) [The proposed governance structure of the charter
12 school, including a description and method for the appointment
13 or election of members of the board of trustees.] An
14 organizational chart clearly presenting the proposed governance
15 structure of the school, including lines of authority and
16 reporting between the board of trustees, administrators, staff
17 and any educational management service provider that will
18 provide management services to the charter school entity.~~

~~19 (4.1) A clear description of the roles and responsibilities
20 for the board of trustees, administrators and any other
21 entities, including a charter school foundation, shown in the
22 organizational chart.~~

~~23 (4.2) A clear description and method for the appointment or
24 election of members of the board of trustees.~~

~~25 (4.3) Standards for board performance, including compliance
26 with all applicable laws, regulations and terms of the charter.~~

~~27 (4.4) If the charter school entity intends to contract with
28 an educational management service provider for services, all of
29 the following:~~

~~30 (i) Evidence of the educational management service~~

~~1 provider's record in serving student populations, including
2 demonstrated academic achievement and demonstrated management of
3 nonacademic school functions, including proficiency with public
4 school based accounting, if applicable.~~

~~5 (ii) A draft contract stating all of the following:~~

~~6 (A) The officers, chief administrator and administrators of
7 the educational management service provider.~~

~~8 (B) The proposed duration of the service contract.~~

~~9 (C) Roles and responsibilities of the governing board, the
10 school staff and the educational management service provider.~~

~~11 (D) The scope of services, personnel and resources to be
12 provided by the educational management service provider.~~

~~13 (E) Performance evaluation measures and timelines.~~

~~14 (F) The compensation structure, including clear
15 identification of all fees to be paid to the educational
16 management service provider.~~

~~17 (G) Methods of contract oversight and enforcement.~~

~~18 (H) Investment disclosure or the advance of moneys by the
19 educational management service provider on behalf of the charter
20 school entity.~~

~~21 (I) Conditions for renewal and termination of the contract.~~

~~22 (iii) Disclosure and explanation of any existing or
23 potential conflicts of interest between the members of the board
24 of trustees and the proposed educational management service
25 provider or any affiliated business entities, including a
26 charter school foundation qualified as a support organization
27 under the Internal Revenue Code of 1986 (Public Law 99-514, 26
28 U.S.C. § 1 et seq.).~~

~~29 (5) The mission and education goals of the charter school
30 entity, the curriculum to be offered and the methods of~~

1 ~~assessing whether students are meeting educational goals.~~

2 ~~(6) The admission and enrollment policy [and criteria for~~
3 ~~evaluating the admission of students] which shall comply with~~
4 ~~the requirements of section 1723 A.~~

5 ~~(7) Procedures which will be used regarding the suspension~~
6 ~~or expulsion of pupils. Said procedures shall comply with~~
7 ~~section 1318.~~

8 ~~(8) Information on the manner in which community groups will~~
9 ~~be involved in the charter school entity planning process.~~

10 ~~(9) The financial plan for the charter school entity and the~~
11 ~~provisions which will be made for auditing the school under~~
12 ~~[section] sections 437 and 1728 A, including the role of any~~
13 ~~charter school foundation.~~

14 ~~(10) Procedures which shall be established to review~~
15 ~~complaints of parents regarding the operation of the charter~~
16 ~~school entity.~~

17 ~~(11) A description of and address of the physical facility~~
18 ~~in which the charter school entity will be located and the~~
19 ~~ownership thereof and any lease arrangements.~~

20 ~~(12) Information on the proposed school calendar for the~~
21 ~~charter school entity, including the length of the school day~~
22 ~~and school year consistent with the provisions of section 1502.~~

23 ~~(13) The proposed faculty, if already determined, and a~~
24 ~~professional development and continuing education plan for the~~
25 ~~faculty and professional staff of [a] the charter school entity.~~

26 ~~(14) Whether any agreements have been entered into or plans~~
27 ~~developed with the local school district regarding participation~~
28 ~~of the charter school entity's students in extracurricular~~
29 ~~activities within the school district. Notwithstanding any~~
30 ~~provision to the contrary, no school district of residence shall~~

1 ~~prohibit a student of a charter school entity from participating~~
2 ~~in any extracurricular activity of that school district of~~
3 ~~residence: Provided, That the student is able to fulfill all of~~
4 ~~the requirements of participation in such activity and the~~
5 ~~charter school entity does not provide the same extracurricular~~
6 ~~activity.~~

7 ~~(15) A report of criminal history record, pursuant to~~
8 ~~section 111, for all individuals identified in the application~~
9 ~~who shall have direct contact with students and a plan for~~
10 ~~satisfying the proper criminal history record clearances~~
11 ~~required for all other staff.~~

12 ~~(16) An official clearance statement regarding child injury~~
13 ~~or abuse from the Department of Public Welfare as required by 23-~~
14 ~~Pa.C.S. Ch. 63 Subch. C.2 (relating to background checks for~~
15 ~~employment in schools) for all individuals identified in the~~
16 ~~application who shall have direct contact with students and a~~
17 ~~plan for satisfying the proper official clearance statement~~
18 ~~regarding child injury or abuse required for all other staff.~~

19 ~~(17) How the charter school entity will provide adequate~~
20 ~~liability and other appropriate insurance for the charter school-~~
21 ~~entity, its employes and the board of trustees of the charter~~
22 ~~school entity.~~

23 ~~(18) Policies regarding truancy, absences and withdrawal of~~
24 ~~students, including the manner in which the charter school-~~
25 ~~entity will monitor attendance consistent with section 1715 A(a)~~
26 ~~(9).~~

27 ~~(19) How the charter school entity will meet the standards~~
28 ~~included in the performance matrix developed by the department~~
29 ~~under section 1732 A(c) (3).~~

30 ~~(20) Indicate whether or not the charter school entity will~~

1 ~~seek accreditation by a nationally recognized accreditation~~
2 ~~agency, including the Middle States Association of Colleges and~~
3 ~~Schools or another regional institutional accrediting agency~~
4 ~~recognized by the United States Department of Education or an~~
5 ~~equivalent federally recognized body for charter school~~
6 ~~education.~~

7 ~~(b) A local board of school directors or the governing board~~
8 ~~of an institution of higher education may not impose additional~~
9 ~~terms, develop its own application or require additional~~
10 ~~information outside the standard application form required under~~
11 ~~subsection (a).~~

12 ~~Section 9. Section 1720 A of the act, amended July 9, 2008~~
13 ~~(P.L.846, No.61), is amended to read:~~

14 ~~Section 1720 A. Term and Form of Charter. (a) Upon~~
15 ~~approval of a charter application under section 1717 A, a~~
16 ~~written charter shall be developed which shall contain the~~
17 ~~provisions of the standardized charter application under section~~
18 ~~1719 A and which shall be signed by the local board of school~~
19 ~~directors of a school district, by the local boards of school~~
20 ~~directors of a school district in the case of a regional charter~~
21 ~~school, or by the governing board of an institution of higher~~
22 ~~education or by the chairman of the appeal board pursuant to~~
23 ~~section [1717 A(i) (5)] 1717 A(i) and the board of trustees of~~
24 ~~the charter school or regional charter school. This written~~
25 ~~charter, when duly signed by the local board of school directors~~
26 ~~of a school district, or by the local boards of school directors~~
27 ~~of a school district in the case of a regional charter school or~~
28 ~~the governing board of an institution of higher education, and~~
29 ~~the charter school's or regional charter school's board of~~
30 ~~trustees, shall act as legal authorization for the establishment~~

1 ~~of a charter school or regional charter school. This written~~
2 ~~charter shall be legally binding on both the local board of~~
3 ~~school directors of a school district or the governing board of~~
4 ~~an institution of higher education and the charter school's or~~
5 ~~regional charter school's board of trustees. [Except as~~
6 ~~otherwise provided in subsection (b), the] If the charter school~~
7 ~~or regional charter school contracts with an educational~~
8 ~~management service provider, an executed contract shall be~~
9 ~~signed once the charter is approved. The charter shall be for a~~
10 ~~period of [no less than [three (3) nor more than] five (5) years~~
11 ~~and]. Upon the effective date of the regulations implementing~~
12 ~~the performance matrix as required by section 1732 A, charter~~
13 ~~schools and regional charter schools that have satisfied the~~
14 ~~academic quality benchmark established by the department~~
15 ~~pursuant to section 1732 A may be renewed for [five (5)] ten~~
16 ~~(10) year periods upon reauthorization by the local board of~~
17 ~~school directors of a school district or the governing board of~~
18 ~~an institution of higher education or the appeal board. Charter~~
19 ~~schools and regional charter schools that have not satisfied the~~
20 ~~academic quality benchmark established by the department~~
21 ~~pursuant to section 1732 A, may be renewed for five (5) year~~
22 ~~periods upon reauthorization by the local board of school~~
23 ~~directors or the governing board of an institution of higher~~
24 ~~education or the appeal board. A charter will be granted only~~
25 ~~for a school organized as a public, nonprofit corporation.~~

26 ~~(b) [(1) Notwithstanding subsection (a), a governing board~~
27 ~~of a school district of the first class may renew a charter for~~
28 ~~a period of one (1) year if the board of school directors~~
29 ~~determines that there is insufficient data concerning the~~
30 ~~charter school's academic performance to adequately assess that~~

1 ~~performance and determines that an additional year of~~
2 ~~performance data would yield sufficient data to assist the~~
3 ~~governing board in its decision whether to renew the charter for~~
4 ~~a period of five (5) years.~~

5 ~~(2) A one year renewal pursuant to paragraph (1) shall not~~
6 ~~be considered an adjudication and may not be appealed to the~~
7 ~~State Charter School Appeal Board.~~

8 ~~(3) A governing board of a school district of the first~~
9 ~~class does not have the authority to renew a charter for~~
10 ~~successive one (1) year periods] (Reserved).~~

11 ~~(c) (1) A charter school or regional charter school may~~
12 ~~request amendments to its approved written charter by filing a~~
13 ~~written document describing the requested amendment to the local~~
14 ~~board of school directors or the governing board of an~~
15 ~~institution of higher education.~~

16 ~~(2) Within thirty five (35) days of its receipt of the~~
17 ~~request for an amendment, the local board of school directors or~~
18 ~~the governing board of an institution of higher education shall~~
19 ~~hold a public hearing on the requested amendment under 65-~~
20 ~~Pa.C.S. Ch. 7 (relating to open meetings).~~

21 ~~(3) Within thirty five (35) days after the hearing, the~~
22 ~~local board of school directors or the governing board of an~~
23 ~~institution of higher education shall grant or deny the~~
24 ~~requested amendment. Failure by the local board of school~~
25 ~~directors or the governing board of an institution of higher~~
26 ~~education to hold a public hearing and to grant or deny the~~
27 ~~amendments within the time period specified shall be deemed an~~
28 ~~approval.~~

29 ~~(4) An applicant for an amendment to a local board of school~~
30 ~~directors shall have the right to appeal the denial of a~~

1 ~~requested amendment to the appeal board provided for under~~
2 ~~section 1721 A.~~

3 Section 10. ~~Section 1721 A(a) and (c) of the act, added June~~
4 ~~19, 1997 (P.L.225, No.22), are amended to read:~~

5 Section 1721 A. ~~State Charter School Appeal Board. (a) The~~
6 ~~State Charter School Appeal Board shall consist of the Secretary~~
7 ~~of Education and [six (6)] the following members who shall be~~
8 ~~appointed by the Governor by and with the consent of a majority~~
9 ~~of all the members of the Senate. [Appointments by the Governor~~
10 ~~shall not occur prior to January 1, 1999.] The Governor shall~~
11 ~~select the chairman of the appeal board to serve at the pleasure~~
12 ~~of the Governor. The members shall include:~~

13 (1) ~~A parent of a school aged child enrolled in a charter~~
14 ~~school entity.~~

15 (2) ~~A school board member.~~

16 (3) ~~A certified teacher actively employed in a public~~
17 ~~school.~~

18 (4) ~~A faculty member or administrative employe of an~~
19 ~~institution of higher education.~~

20 (5) ~~A member of the business community.~~

21 (6) ~~A member of the State Board of Education.~~

22 (7) ~~An administrator of a charter school entity.~~

23 (8) ~~A member of the board of trustees of a charter school~~
24 ~~entity.~~

25 ~~The term of office of members of the appeal board, other than~~
26 ~~the secretary, shall be for a period of four (4) years or until~~
27 ~~a successor is appointed and qualified, except that, of the~~
28 ~~initial appointees, the Governor shall designate two (2) members~~
29 ~~to serve terms of two (2) years, two (2) members to serve terms~~
30 ~~of three (3) years and two (2) members to serve terms of four~~

1 ~~(4) years. A parent member appointed under paragraph (1) shall~~
2 ~~serve a term of four (4) years, provided the member's child~~
3 ~~remains enrolled in the charter school entity. Any appointment~~
4 ~~to fill any vacancy shall be for the period of the unexpired~~
5 ~~term or until a successor is appointed and qualified.~~

6 * * *

7 ~~(e) Meetings of the appeal board shall be conducted under~~
8 ~~[the act of July 3, 1986 (P.L.388, No.84), known as the~~
9 ~~"Sunshine Act."] 65 Pa.C.S. Ch. 7 (relating to open meetings).~~
10 ~~Documents of the appeal board shall be subject to the act of~~
11 ~~[June 21, 1957 (P.L.390, No.212), referred to as the Right to~~
12 ~~Know Law.] February 14, 2008 (P.L.6, No.3), known as the "Right~~
13 ~~to Know Law."~~

14 Section 11. Section 1722 A of the act, amended November 17,
15 2010 (P.L.996, No.104), is amended to read:

16 Section 1722 A. Facilities. (a) A charter school entity
17 may be located in an existing public school building, in a part
18 of an existing public school building, in space provided on a
19 privately owned site, in a public building or in any other
20 suitable location. A charter school entity has a right of first
21 refusal to purchase or lease an existing public school building,
22 a part of an existing public school building or space in a
23 public building at or below fair market value.

24 (b) The charter school entity facility shall be exempt from
25 public school facility regulations except those pertaining to
26 the health or safety of [the pupils] students.

27 (d) Notwithstanding any other provision of this act, a
28 school district [of the first class] may, in its discretion,
29 permit a charter school or regional charter school to operate
30 its school at more than one location.

1 ~~(e) (1) Notwithstanding the provisions of section 204 of~~
2 ~~the act of May 22, 1933 (P.L.853, No.155), known as The General~~
3 ~~County Assessment Law, all school property, real and personal,~~
4 ~~owned by any charter school[, cyber charter school] entity or an~~
5 ~~associated nonprofit foundation, or owned by a nonprofit~~
6 ~~corporation, associated nonprofit corporation or nonprofit~~
7 ~~foundation and leased to a charter school[, cyber charter school~~
8 ~~or] entity, associated nonprofit foundation or associated~~
9 ~~nonprofit corporation at or below fair market value, that is~~
10 ~~occupied and used by any charter school [or cyber charter~~
11 ~~school] entity for public school, recreation or any other~~
12 ~~purposes provided for by this act, shall be made exempt from~~
13 ~~every kind of State, county, city, borough, township or other~~
14 ~~real estate tax, including payments in lieu of taxes established~~
15 ~~through agreement with the Commonwealth or any local taxing~~
16 ~~authority, as well as from all costs or expenses for paving,~~
17 ~~curbing, sidewalks, sewers or other municipal improvements,~~
18 ~~Provided, That any charter school [or cyber charter school]~~
19 ~~entity or owner of property leased to a charter school [or cyber~~
20 ~~charter school] entity may make a municipal improvement in a~~
21 ~~street on which its school property abuts or may contribute a~~
22 ~~sum toward the cost of the improvement.~~

23 ~~(2) Any agreement entered into by a charter school[, cyber~~
24 ~~charter school or] entity, associated nonprofit foundation or~~
25 ~~associated nonprofit corporation with the Commonwealth or a~~
26 ~~local taxing authority for payments in lieu of taxes prior to~~
27 ~~December 31, 2009, shall be null and void.~~

28 ~~(3) This subsection shall apply retroactively to all charter~~
29 ~~[schools, cyber charter schools and] school entities, associated~~
30 ~~nonprofit foundations and associated nonprofit corporations that~~

1 ~~filed an appeal from an assessment, as provided in Article V of~~
2 ~~The General County Assessment Law, prior to the effective date~~
3 ~~of this subsection and until such time as a final order has been~~
4 ~~entered.~~

5 ~~(4) For purposes of this subsection, "local taxing~~
6 ~~authority" shall include, but not be limited to, a county, city,~~
7 ~~borough, incorporated town, township or school district.~~

8 ~~(f) (1) Alcoholic beverages shall not be available for~~
9 ~~consumption, purchase or sale in any charter school entity~~
10 ~~facility.~~

11 ~~(2) If, in the case of a charter school or regional charter~~
12 ~~school, the local board of school directors or the governing~~
13 ~~board of an institution of higher education reasonably believes~~
14 ~~that alcoholic beverages have been made available for~~
15 ~~consumption, purchase or sale in the charter school or regional~~
16 ~~charter school facility, the local board of school directors or~~
17 ~~the governing board of an institution of higher education shall~~
18 ~~notify the department.~~

19 ~~(3) If alcoholic beverages have been made available for~~
20 ~~consumption, purchase or sale in a charter school entity~~
21 ~~facility, the secretary shall order the following forfeitures~~
22 ~~against the charter school entity:~~

23 ~~(i) A fine of \$1,000 for the first violation.~~

24 ~~(ii) A fine of \$5,000 for the second or subsequent~~
25 ~~violation.~~

26 ~~(4) The charter school entity may appeal the order of the~~
27 ~~secretary under 2 Pa.C.S. Chs. 5 (relating to practice and~~
28 ~~procedure) and 7 (relating to judicial review).~~

29 Section 12. Section 1723 A(a), (b) and (d) of the act,
30 amended June 26, 1999 (P.L.394, No.36) and July 9, 2008

1 ~~(P.L.846, No.61), are amended to read:~~

2 ~~Section 1723 A. [Enrollment] Admission and Enrollment~~

3 ~~Requirements. (a) (1) All resident children in this~~

4 ~~Commonwealth who submit a completed enrollment form in~~

5 ~~accordance with clause (3) qualify for admission to a charter~~

6 ~~school entity within the provisions of subsection (b). [If] In~~

7 ~~the case of a charter school, if more students apply to the~~

8 ~~charter school than the number of attendance slots available in~~

9 ~~the school, then students must be selected on a random basis~~

10 ~~from a pool of [qualified applicants meeting the established~~

11 ~~eligibility criteria and submitting an application] eligible~~

12 ~~applicants who have submitted an enrollment form in accordance~~

13 ~~with clauses (3) and (4) by the deadline established by the~~

14 ~~charter school, except that the charter school may give~~

15 ~~preference in enrollment to a child of a parent who has actively~~

16 ~~participated in the development of the charter school and, to~~

17 ~~siblings of students presently enrolled in the charter school.~~

18 ~~First preference shall be given to students who reside in the~~

19 ~~district or districts in which the charter school is physically~~

20 ~~located.~~

21 ~~(2) If a charter school has a waiting list following its~~

22 ~~initial selection of eligible applicants under clause (1), the~~

23 ~~charter school shall select eligible applicants from the waiting~~

24 ~~list as spaces become available. All children shall be assigned~~

25 ~~to the waiting list on a random basis. When selecting eligible~~

26 ~~applicants from the waiting list, a charter school shall give~~

27 ~~first preference to students as provided under clause (1) and to~~

28 ~~those who reside in the district or districts in which the~~

29 ~~charter school is physically located until the charter school~~

30 ~~again reaches its maximum capacity of students. If a charter~~

~~1 school has a waiting list, once the charter school has exhausted
2 the waiting list of resident children, it may then enroll
3 children on the waiting list who reside outside of the district.
4 Nonresident children shall also be selected on a random basis.
5 If a charter school and the school district from which it is
6 authorized have voluntarily capped enrollment or the district
7 attempts to involuntarily cap enrollment of resident students
8 and the charter school has enrolled the maximum number of
9 resident students, it may enroll students residing outside of
10 the district.~~

~~11 (3) The department, in consultation with representatives of
12 charter school entities, shall develop a standard enrollment
13 form that shall be used by all eligible applicants to apply to a
14 charter school entity. The standard enrollment form shall only
15 request information necessary to allow the charter school entity
16 to identify the student, grade level and residency, including:~~

~~17 (i) The student's name, physical address, telephone number,
18 age, birth date and current grade level.~~

~~19 (ii) The name, physical address, telephone number and e-mail
20 address of the student's parent or guardian.~~

~~21 (4) The standard enrollment form shall be made physically
22 available at each charter school entity, in a form that complies
23 with Federal and State law and posted on the publicly accessible
24 Internet website of each charter school entity, if available. A
25 charter school entity may accept the enrollment form via
26 electronic means.~~

~~27 (5) When a student applies to a charter school entity, a
28 charter school entity shall not require or request information
29 beyond the contents of the standard enrollment form developed by
30 the department.~~

~~(6) Nothing in this section shall prohibit a charter school entity from requesting the submission of additional records and information that public schools are entitled to after a student is accepted for admission to a charter school entity.~~

~~As used in this subsection:~~

~~"Eligible applicant" shall mean a student who is seeking to enter a grade level offered by the charter school and meets the requirements of 22 Pa. Code §§ 11.12 (relating to school age), 11.13 (relating to compulsory school age), 11.14 (relating to admission to kindergarten when provided), 11.15 (relating to admission of beginners), 11.16 (relating to early admission of beginners) and 12.1 (relating to free education and attendance) and student residency requirements.~~

~~(b) (1) A charter school entity shall not discriminate in its admission policies or practices on the basis of intellectual ability, [except as provided in paragraph (2), or] athletic ability, measures of achievement or aptitude, status as a person with a disability, proficiency in the English language or any other basis that would be illegal if used by a school district.~~

~~(2) A charter school entity may limit [admission] its academic focus to a particular grade level[,] or a targeted population group composed of at risk students[, or areas of concentration of the school such as mathematics, science or the arts. A charter school may establish reasonable criteria to evaluate prospective students which shall be outlined in the school's charter.] or a specialized area or accelerated program of study, such as mathematics, science or the arts.~~

~~* * *~~

~~(d) (1) Enrollment of students in a charter school [or cyber charter school] entity, or expansion of a charter school,~~

1 ~~entity into additional grade levels,~~ shall not be subject to a
2 ~~cap or otherwise limited by any past or future action of a board~~
3 ~~of school directors, a board of control established under~~
4 ~~Article XVII B, a special board of control established under~~
5 ~~section 692 or any other governing authority[, unless agreed to~~
6 ~~by the charter school or cyber charter school as part of a~~
7 ~~written charter pursuant to section 1720 A].~~

8 ~~(2) The provisions of this subsection shall apply to a~~
9 ~~charter school, regional charter school or cyber charter school~~
10 ~~regardless of whether the charter was approved prior to or is~~
11 ~~approved subsequent to the effective date of this subsection.~~

12 ~~Section 13. Section 1724 A(c) and (d) of the act, amended or~~
13 ~~added June 19, 1997 (P.L.225, No.22) and June 30, 2011 (P.L.112,~~
14 ~~No.24), are amended to read:~~

15 ~~Section 1724 A. School Staff. * * *~~

16 ~~(c) All employes of a charter school shall be enrolled in~~
17 ~~the Public School Employees' Retirement System in the same~~
18 ~~manner as set forth in 24 Pa.C.S. § 8301(a) (relating to~~
19 ~~mandatory and optional membership) unless at the time of the~~
20 ~~application for the charter school the sponsoring district or~~
21 ~~the board of trustees of the charter school has a retirement~~
22 ~~program which covers the employes or the employe is currently~~
23 ~~enrolled in another retirement program. The Commonwealth shall~~
24 ~~make contributions on behalf of charter school employes enrolled~~
25 ~~in the Public School Employees' Retirement System, which shall~~
26 ~~be one half of the amounts calculated in 24 Pa.C.S. §§ 8326~~
27 ~~(relating to contributions by the Commonwealth) and 8535~~
28 ~~(relating to payments to school entities by Commonwealth). The~~
29 ~~charter school shall be considered a school district and shall~~
30 ~~make payments by employers to the Public School Employees'~~

1 Retirement System and payments on account of Social Security as
2 established under 24 Pa.C.S. Pt. IV (relating to retirement for
3 school employees). The market value/income aid ratio used in
4 calculating payments as prescribed in this subsection shall be
5 the market value/income aid ratio for the school district in
6 which the charter school is located or, in the case of a
7 regional charter school, shall be a composite market
8 value/income aid ratio for the participating school districts as
9 determined by the department. Except as otherwise provided,
10 employes of a charter school shall make regular member
11 contributions as required for active members under 24 Pa.C.S.
12 Pt. IV. If the employes of the charter school participate in
13 another retirement plan, then those employes shall have no
14 concurrent claim on the benefits provided to public school
15 employes under 24 Pa.C.S. Pt. IV. For purposes of this
16 subsection, a charter school shall be deemed to be a "public
17 school" as defined in 24 Pa.C.S. § 8102 (relating to
18 definitions). Nothing in this article shall be construed to
19 require the Commonwealth to make contributions, from
20 appropriated funds, as provided in 24 Pa.C.S. § 8329(a)
21 (relating to payments on account of social security deductions
22 from appropriations) on account of Social Security payments made
23 by a charter school.

24 (d) Every employe of a charter school shall be provided [the
25 same] similar health care benefits as the employe would be
26 provided if he or she were an employe of the local district. The
27 local board of school directors may require the charter school
28 to provide [the same] similar terms and conditions with regard
29 to health insurance as the collective bargaining agreement of
30 the school district to include employe contributions to the

1 ~~district's health benefits plan. The charter school shall make~~
2 ~~any required employer's contribution to the district's health~~
3 ~~plan to an insurer, a local board of school directors or a~~
4 ~~contractual representative of school employes, whichever is~~
5 ~~appropriate to provide the required coverage.~~

6 * * *

7 ~~Section 14. Section 1725 A of the act, amended or added June~~
8 ~~19, 1997 (P.L.225, No.22), June 22, 2001 (P.L.530, No.35) and~~
9 ~~June 29, 2002 (P.L.524, No.88), is amended to read:~~

10 ~~Section 1725 A. Funding for Charter Schools and Regional~~
11 ~~Charter Schools. (a) [Funding for a charter school shall be~~
12 ~~provided in the following manner:~~

13 ~~(1) There shall be no tuition charge for a resident or~~
14 ~~nonresident student attending a charter school.~~

15 ~~(2) For non special education students, the charter school~~
16 ~~shall receive for each student enrolled no less than the~~
17 ~~budgeted total expenditure per average daily membership of the~~
18 ~~prior school year, as defined in section 2501(20), minus the~~
19 ~~budgeted expenditures of the district of residence for nonpublic~~
20 ~~school programs; adult education programs; community/junior~~
21 ~~college programs; student transportation services; for special~~
22 ~~education programs; facilities acquisition, construction and~~
23 ~~improvement services; and other financing uses, including debt~~
24 ~~service and fund transfers as provided in the Manual of~~
25 ~~Accounting and Related Financial Procedures for Pennsylvania~~
26 ~~School Systems established by the department. This amount shall~~
27 ~~be paid by the district of residence of each student.~~

28 ~~(3) For special education students, the charter school shall~~
29 ~~receive for each student enrolled the same funding as for each~~
30 ~~non special education student as provided in clause (2), plus an~~

~~1 additional amount determined by dividing the district of
2 residence's total special education expenditure by the product
3 of multiplying the combined percentage of section 2509.5(k)
4 times the district of residence's total average daily membership
5 for the prior school year. This amount shall be paid by the
6 district of residence of each student.~~

~~7 (4) A charter school may request the intermediate unit in
8 which the charter school is located to provide services to
9 assist the charter school to address the specific needs of
10 exceptional students. The intermediate unit shall assist the
11 charter school and bill the charter school for the services. The
12 intermediate unit may not charge the charter school more for any
13 service than it charges the constituent districts of the
14 intermediate unit.~~

~~15 (5) Payments shall be made to the charter school in twelve
16 (12) equal monthly payments, by the fifth day of each month,
17 within the operating school year. A student enrolled in a
18 charter school shall be included in the average daily membership
19 of the student's district of residence for the purpose of
20 providing basic education funding payments and special education
21 funding pursuant to Article XXV. If a school district fails to
22 make a payment to a charter school as prescribed in this clause,
23 the secretary shall deduct the estimated amount, as documented
24 by the charter school, from any and all State payments made to
25 the district after receipt of documentation from the charter
26 school.~~

~~27 (6) Within thirty (30) days after the secretary makes the
28 deduction described in clause (5), a school district may notify
29 the secretary that the deduction made from State payments to the
30 district under this subsection is inaccurate. The secretary~~

1 ~~shall provide the school district with an opportunity to be~~
2 ~~heard concerning whether the charter school documented that its~~
3 ~~students were enrolled in the charter school, the period of time~~
4 ~~during which each student was enrolled, the school district of~~
5 ~~residence of each student and whether the amounts deducted from~~
6 ~~the school district were accurate.~~

7 ~~(b) The Commonwealth shall provide temporary financial~~
8 ~~assistance to a school district due to the enrollment of~~
9 ~~students in a charter school who attended a nonpublic school in~~
10 ~~the prior school year in order to offset the additional costs~~
11 ~~directly related to the enrollment of those students in a public~~
12 ~~charter school. The Commonwealth shall pay the school district~~
13 ~~of residence of a student enrolled in a nonpublic school in the~~
14 ~~prior school year who is attending a charter school an amount~~
15 ~~equal to the school district of residence's basic education~~
16 ~~subsidy for the current school year divided by the district's~~
17 ~~average daily membership for the prior school year. This payment~~
18 ~~shall occur only for the first year of the attendance of the~~
19 ~~student in a charter school, starting with school year 1997~~
20 ~~1998. Total payments of temporary financial assistance to school~~
21 ~~districts on behalf of a student enrolling in a charter school~~
22 ~~who attended a nonpublic school in the prior school year shall~~
23 ~~be limited to funds appropriated for this program in a fiscal~~
24 ~~year. If the total of the amount needed for all students~~
25 ~~enrolled in a nonpublic school in the prior school year who~~
26 ~~enroll in a charter school exceeds the appropriation for the~~
27 ~~temporary financial assistance program, the amount paid to a~~
28 ~~school district for each qualifying student shall be pro rata~~
29 ~~reduced. Receipt of funds under this subsection shall not~~
30 ~~preclude a school district from applying for a grant under~~

1 ~~subsection (c).~~

2 ~~(c) The Commonwealth shall create a grant program to provide~~
3 ~~temporary transitional funding to a school district due to the~~
4 ~~budgetary impact relating to any student's first year attendance~~
5 ~~at a charter school. The department shall develop criteria which~~
6 ~~shall include, but not be limited to, the overall fiscal impact~~
7 ~~on the budget of the school district resulting from students of~~
8 ~~a school district attending a charter school. The criteria shall~~
9 ~~be published in the Pennsylvania Bulletin. This subsection shall~~
10 ~~not apply to a public school converted to a charter school under~~
11 ~~section 1717 A(b). Grants shall be limited to funds appropriated~~
12 ~~for this purpose.] Funding for a charter school or regional~~
13 ~~charter school shall be provided in the following manner and~~
14 ~~shall not be in violation of any applicable Federal or State~~
15 ~~law, regulation or agreement:~~

16 ~~(1) There shall be no tuition charge for a resident or~~
17 ~~nonresident student attending a charter school or a regional~~
18 ~~charter school.~~

19 ~~(2) The following apply:~~

20 ~~(i) For nonspecial education students, the charter school or~~
21 ~~regional charter school shall receive for each student enrolled~~
22 ~~no less than the budgeted total expenditure per average daily~~
23 ~~membership of the prior school year, as defined in section~~
24 ~~2501(20), minus the budgeted expenditures of the district of~~
25 ~~residence for all of the following:~~

26 ~~(A) Nonpublic school programs.~~

27 ~~(B) Adult education programs.~~

28 ~~(C) Community and junior college programs.~~

29 ~~(D) Student transportation services.~~

30 ~~(E) Special education programs.~~

1 ~~(F) Facilities acquisition, construction and improvement~~
2 ~~services.~~

3 ~~(G) Programs and services to the extent they are funded from~~
4 ~~the proceeds of competitive grants from private or public~~
5 ~~resources or from contributions or donations from private~~
6 ~~sources.~~

7 ~~(H) Other financing uses, including debt service and fund~~
8 ~~transfers as provided in the Manual of Accounting and Related~~
9 ~~Financial Procedures for Pennsylvania School Systems established~~
10 ~~by the department.~~

11 ~~(I) Thirty per centum of the employer's retirement~~
12 ~~contributions on behalf of employes enrolled in the Public~~
13 ~~School Employees' Retirement System.~~

14 ~~(i.1) The amount under subclause (i) shall be calculated by~~
15 ~~each school district on a form prescribed by the secretary in~~
16 ~~accordance with this section. The secretary, upon receipt of a~~
17 ~~district's calculation, shall review the district's calculation~~
18 ~~and may request supporting documentation from the district~~
19 ~~regarding its calculation. If the secretary finds an error or~~
20 ~~discrepancy in a district's calculation, the secretary shall~~
21 ~~require the district to correct the calculation and require the~~
22 ~~school district to notify affected charter schools and regional~~
23 ~~charter schools.~~

24 ~~(ii) The following apply:~~

25 ~~(A) The amount under subclause (i) shall be paid by the~~
26 ~~school district of residence of each student by deduction and~~
27 ~~transfer from all State payments due to the district as provided~~
28 ~~under clause (5).~~

29 ~~(B) If a charter school or regional charter school disputes~~
30 ~~the accuracy of a district's calculation under this clause, the~~

~~1 charter school or regional charter school shall file a notice of
2 the dispute with the secretary, who shall hold a hearing to
3 determine the accuracy of the district's calculation within
4 thirty (30) days of the notice.~~

~~5 (C) The secretary shall determine the accuracy of the
6 district's calculation within thirty (30) days of the hearing.~~

~~7 (D) The district shall bear the burden of production and
8 proof with respect to its calculation under this clause.~~

~~9 (E) The district shall be liable for the reasonable legal
10 fees incurred by a charter school or regional charter school if
11 the charter school or regional charter school is the
12 substantially prevailing party after a hearing under this
13 section. The charter school or regional charter school shall be
14 liable for the reasonable legal fees incurred by the district if
15 the district is the substantially prevailing party after a
16 hearing under this section.~~

~~17 (F) All decisions of the secretary under this clause shall
18 be subject to appellate review by Commonwealth Court.~~

~~19 (3) The following apply:~~

~~20 (i) For special education students, the charter school or
21 regional charter school shall receive for each student enrolled
22 the same funding as for each nonspecial education student as
23 provided under clause (2), plus an additional amount determined
24 by dividing the total special education expenditure of the
25 school district of residence by the product of:~~

~~26 (A) the combined percentage of section 2509.5(k) applicable
27 to the school year; and~~

~~28 (B) the total average daily membership of the school
29 district of residence for the prior school year.~~

~~30 (ii) The amount under subclause (i) shall be paid by the~~

1 ~~school district of residence of each student by deduction and~~
2 ~~transfer from all State payments due to the district as provided~~
3 ~~under clause (5).~~

4 ~~(iii) If a charter school or regional charter school~~
5 ~~disputes the accuracy of a district's calculation under this~~
6 ~~clause, the charter school or regional charter school shall file~~
7 ~~a notice of the dispute with the secretary, who shall hold a~~
8 ~~hearing to determine the accuracy of the district's calculation~~
9 ~~within thirty (30) days of the notice.~~

10 ~~(iv) The secretary shall determine the accuracy of the~~
11 ~~district's calculation within thirty (30) days of the hearing.~~

12 ~~(v) The district shall bear the burden of production and~~
13 ~~proof with respect to its calculation under this clause.~~

14 ~~(vi) The district shall be liable for the reasonable legal~~
15 ~~fees incurred by a charter school or regional charter school if~~
16 ~~the charter school or regional charter school is the~~
17 ~~substantially prevailing party after a hearing under this~~
18 ~~section. The charter school or regional charter school shall be~~
19 ~~liable for the reasonable legal fees incurred by the school~~
20 ~~district if the district is the substantially prevailing party~~
21 ~~after a hearing under this section.~~

22 ~~(vii) All decisions of the secretary under this section~~
23 ~~shall be subject to appellate review by Commonwealth Court.~~

24 ~~(4) A charter school or regional charter school may request~~
25 ~~the intermediate unit or school district in which the charter~~
26 ~~school or regional charter school is located to provide services~~
27 ~~to assist the charter school or regional charter school to~~
28 ~~address the specific needs of nonspecial education and~~
29 ~~exceptional students. The intermediate unit or school district~~
30 ~~shall provide the charter school or regional charter school with~~

~~1 such services and bill the charter school or regional charter
2 school for the services. The intermediate unit or school
3 district may not charge the charter school or regional charter
4 school more for any service than it charges the constituent
5 districts of the intermediate unit. Nothing under this clause
6 shall preclude an intermediate unit or school district from
7 contracting with a charter school or regional charter school to
8 provide the intermediate unit or school district with services
9 to assist the intermediate unit or school district to address
10 specific needs of nonspecial education and special education
11 students.~~

~~12 (5) Beginning in the 2014-2015 school year, the following
13 apply:~~

~~14 (i) Payments shall be made to the charter school or regional
15 charter school in twelve (12) equal monthly payments, according
16 to the established monthly unipay schedule within the operating
17 school year or any subsequent school year.~~

~~18 (ii) Except as provided for in subclauses (vi) and (viii),
19 payments shall be made directly by the secretary deducting and
20 paying to the charter school or regional charter school the
21 estimated amount, as documented by the charter school or
22 regional charter school, from:~~

~~23 (A) all State payments due to the school district of
24 residence; or~~

~~25 (B) if no payments are due to the school district of
26 residence, from all State payments reasonably expected to be due
27 in the next established monthly unipay schedule, after receipt
28 of documentation from the charter school or regional charter
29 school as to its enrollment.~~

~~30 (iii) At least thirty (30) days prior to the scheduled~~

~~1 payment date each month, a charter school or regional charter
2 school shall provide to the department and to the school
3 district of residence of each student enrolled in the charter
4 school or regional charter school, documentation of the charter
5 school's or regional charter school's enrollment, on a form to
6 be developed by the secretary within sixty (60) days of the
7 effective date of this section. The form, which shall be
8 developed in consultation with representatives of charter
9 schools or regional charter schools and school districts, shall
10 require the charter school or regional charter school to provide
11 to the department and to the school district of residence of
12 each student enrolled in the charter school or regional charter
13 school, documentation of each student's current enrollment in
14 the charter school or regional charter school and current
15 residence in the school district, including the following
16 information:~~

~~17 (A) Student's name.~~

~~18 (B) Student's home address.~~

~~19 (C) Name and telephone number of student's parent or
20 guardian.~~

~~21 (D) Student's date of birth.~~

~~22 (E) Student's grade level.~~

~~23 (F) Type of school in which student was previously enrolled.~~

~~24 (G) Student's date of enrollment.~~

~~25 (H) Whether each student is being educated under an
26 individualized education plan under the Individuals with
27 Disabilities Education Act (Public Law 91-230, 20 U.S.C. § 1400
28 et seq.).~~

~~29 (I) The tuition amount due on account of each student.~~

~~30 (J) The total amount due from the school district for that~~

1 ~~month.~~

2 ~~(K) Copies of the actual documents used by the charter~~
3 ~~school or regional charter school to verify each student's~~
4 ~~residence in the school district.~~

5 ~~(iv) The secretary shall not make payments under this~~
6 ~~section until the charter school or regional charter school~~
7 ~~provides the department and the school district of residence~~
8 ~~with a completed form and accompanying documentation as required~~
9 ~~under this clause. A charter school or regional charter school~~
10 ~~may make only one (1) payment request per month under this~~
11 ~~clause. After a charter school or regional charter school makes~~
12 ~~a payment request under this clause, any necessary corrections~~
13 ~~or adjustments may be made in the next subsequent monthly~~
14 ~~payment request.~~

15 ~~(v) The secretary's obligation to make payments under this~~
16 ~~section is mandatory and ministerial, except that payments made~~
17 ~~pursuant to this article shall not be given priority over~~
18 ~~payments required pursuant to sections 633 and 785 and 53~~
19 ~~Pa.C.S. § 8125(b) (relating to security for tax anticipation~~
20 ~~notes and sinking fund), or an agreement pursuant to which the~~
21 ~~Commonwealth is required to make payment to a holder of debt~~
22 ~~issued by or on behalf of a school entity, all of which payments~~
23 ~~continue to be mandatory and ministerial. If payments required~~
24 ~~under sections 633 and 785 and 53 Pa.C.S. § 8125(b) preclude the~~
25 ~~timely payment of funds to a charter school or regional charter~~
26 ~~school under this section or will cause the board of school~~
27 ~~directors of a school district to fail to pay or provide for~~
28 ~~payment under this subsection, nothing shall preclude the~~
29 ~~secretary from withholding funds from any and all State payments~~
30 ~~made to the school district for the operating school year or for~~

1 ~~any subsequent operating school year.~~

2 ~~(vi) If there are insufficient State payments due to a~~
3 ~~school district in the established monthly unipay schedule to~~
4 ~~cover all charter school or regional charter school deductions~~
5 ~~and transfers, the school district shall be responsible for~~
6 ~~paying the unpaid balance directly to the charter school or~~
7 ~~regional charter school not more than ten (10) days following~~
8 ~~the established monthly unipay schedule.~~

9 ~~(vii) A student enrolled in a charter school or regional~~
10 ~~charter school shall be included in the average daily membership~~
11 ~~of the student's school district of residence for the purpose of~~
12 ~~providing basic education funding payments and special education~~
13 ~~funding under Article XXV.~~

14 ~~(viii) Notwithstanding any other provision of law, for each~~
15 ~~year in which a school district of the first class that has been~~
16 ~~declared to be distressed by the Secretary of Education under~~
17 ~~section 691 continues to be distressed, payments to charter~~
18 ~~schools or regional charter schools shall be made by the school~~
19 ~~district of the first class and not by the secretary as provided~~
20 ~~in clause (ii). The school district of the first class shall~~
21 ~~provide for payment to charter schools and regional charter~~
22 ~~schools as follows:~~

23 ~~(A) Payments shall be made to the charter school or regional~~
24 ~~charter school in twelve (12) equal monthly payments, according~~
25 ~~to the established monthly unipay schedule, within the operating~~
26 ~~school year.~~

27 ~~(B) Payments shall be made directly by paying to the charter~~
28 ~~school or regional charter school the estimated amount, as~~
29 ~~documented by the charter school or regional charger school,~~
30 ~~after receipt of documentation from the charter school or~~

1 ~~regional charter school including the information required by~~
2 ~~this section to be supplied by charter schools and regional~~
3 ~~charter schools in other school districts at least thirty (30)~~
4 ~~days prior to the scheduled payment date each month.~~

5 ~~(C) If the school district of the first class fails to make~~
6 ~~a payment to a charter school entity as prescribed in this~~
7 ~~clause, the secretary shall deduct the estimated amount, as~~
8 ~~documented by the charter school entity, from any and all State~~
9 ~~payments made to the district after receipt of documentation~~
10 ~~from the charter school entity. This section shall not be~~
11 ~~subject to suspension by a school reform commission or a school~~
12 ~~district of the first class.~~

13 ~~(6) The following apply:~~

14 ~~(i) Within thirty (30) days after the payment is made to the~~
15 ~~charter school or regional charter school as described under~~
16 ~~clause (5), a school district may notify the secretary that the~~
17 ~~estimated amount, as documented by the charter school or~~
18 ~~regional charter school, is inaccurate.~~

19 ~~(ii) Within thirty (30) days of the notice by the school~~
20 ~~district under subclause (i), the secretary shall provide the~~
21 ~~school district with a hearing concerning whether the charter~~
22 ~~school or regional charter school documented that students were~~
23 ~~enrolled in the charter school or regional charter school, the~~
24 ~~period of time during which each student was enrolled in the~~
25 ~~charter school or regional charter school, the school district~~
26 ~~of residence of each student enrolled in the charter school or~~
27 ~~regional charter school and whether the amounts deducted from or~~
28 ~~paid by the school district were accurate.~~

29 ~~(iii) The burden of proof and production at the hearing~~
30 ~~shall be on the school district. A hearing shall not be held~~

~~1 before the secretary deducts and transfers to the charter school
2 or regional charter school the amount estimated by the charter
3 school or regional charter school.~~

~~4 (iv) The secretary shall determine the accuracy of the
5 amount documented by the charter school or regional charter
6 school and make any necessary payment adjustment within thirty
7 (30) days of the hearing.~~

~~8 (v) The school district shall be liable for the reasonable
9 legal fees incurred by a charter school or regional charter
10 school if the charter school or regional charter school is the
11 substantially prevailing party after a hearing under this
12 section. The charter school or regional charter school shall be
13 liable for the reasonable legal fees incurred by the school
14 district if the school district is the substantially prevailing
15 party after a hearing under this section.~~

~~16 (vi) All decisions of the secretary under this section shall
17 be subject to appellate review by Commonwealth Court.~~

~~18 (vii) Supersedeas shall not be granted to the secretary or
19 any party to the proceeding on an appeal from the decision of
20 the secretary under this section; and, absent a court order, the
21 secretary shall not hold any payments in escrow.~~

~~22 (d) It shall be lawful for any charter school or regional
23 charter school to receive, hold, manage and use, absolutely or
24 in trust, any devise, bequest, grant, endowment, gift or
25 donation of any property, real or personal and/or mixed, which
26 shall be made to the charter school or regional charter school
27 for any of the purposes of this article.~~

~~28 (e) It shall be unlawful for any trustee of a charter school
29 or regional charter school or any board of trustees of a charter
30 school or regional charter school or any other person affiliated~~

1 ~~in any way with a charter school or regional charter school to~~
2 ~~demand or request, directly or indirectly, any gift, donation or~~
3 ~~contribution of any kind from any parent, teacher, employe or~~
4 ~~any other person affiliated with the charter school or regional~~
5 ~~charter school as a condition for employment or enrollment~~
6 ~~and/or continued attendance of any pupil. Any donation, gift or~~
7 ~~contribution received by a charter school or regional charter~~
8 ~~school shall be given freely and voluntarily.~~

9 ~~(f) A charter school or regional charter school may not~~
10 ~~provide discounts to a school district or waive payments under~~
11 ~~this section for any student.~~

12 ~~(g) The department shall develop a transition procedure to~~
13 ~~be able to recoup in subsequent fiscal years any payments made~~
14 ~~in error to a charter school or regional charter school as a~~
15 ~~result of direct payment by the department to the charter school~~
16 ~~or regional charter school.~~

17 ~~Section 15. Section 1728 A(a) and (b) of the act, added June~~
18 ~~19, 1997 (P.L.225, No.22), are amended and the section is~~
19 ~~amended by adding subsections to read:~~

20 ~~Section 1728 A. Annual Reports and Assessments. (a) (1)~~
21 ~~The local board of school directors or the governing board of an~~
22 ~~institution of higher education shall annually assess whether~~
23 ~~each charter school or regional charter school is meeting the~~
24 ~~goals of its charter and shall conduct a comprehensive review~~
25 ~~prior to granting a [five (5) year] renewal of the charter. The~~
26 ~~local board of school directors or the governing board of an~~
27 ~~institution of higher education shall have ongoing access to the~~
28 ~~records and facilities of the charter school or regional charter~~
29 ~~school to ensure that the charter school or regional charter~~
30 ~~school is in compliance with its charter and this act and that~~

1 ~~requirements for testing, civil rights and student health and~~
2 ~~safety are being met.~~

3 ~~(2) Ongoing access to a charter school's or regional charter~~
4 ~~school's records shall mean that the local board of school~~
5 ~~directors or the governing board of an institution of higher~~
6 ~~education shall have access to records such as financial~~
7 ~~reports, financial audits, aggregate standardized test scores~~
8 ~~without student identifying information and teacher~~
9 ~~certification and personnel records.~~

10 ~~(3) Charter schools and regional charter schools shall~~
11 ~~comply fully with the requirements of the Family Educational~~
12 ~~Rights and Privacy Act of 1974 (Public Law 90 247, 20 U.S.C. §~~
13 ~~1232g) and associated regulations. No personally identifiable~~
14 ~~information from education records shall be provided by the~~
15 ~~charter school or regional charter school to the school district~~
16 ~~except in compliance with the Family Educational Rights and~~
17 ~~Privacy Act of 1974.~~

18 ~~(b) In order to facilitate the local board's or the~~
19 ~~governing board of the institution of higher education's review~~
20 ~~and secretary's report, each charter school or regional charter~~
21 ~~school shall submit an annual report no later than August 1 of~~
22 ~~each year to the local board of school directors or the~~
23 ~~governing board of the institution of higher education and the~~
24 ~~secretary in the form prescribed by the secretary.~~

25 * * *

26 ~~(d) A charter school entity shall form an independent audit~~
27 ~~committee of its board members which shall review at the close~~
28 ~~of each fiscal year a complete certified audit of the operations~~
29 ~~of the charter school entity. The audit shall be conducted by a~~
30 ~~qualified independent certified public accountant. The audit~~

1 ~~shall be conducted under generally accepted audit standards of~~
2 ~~the Governmental Accounting Standards Board and shall include~~
3 ~~the following:~~

4 ~~(1) An enrollment test to verify the accuracy of student~~
5 ~~enrollment and reporting to the State.~~

6 ~~(2) Full review of expense reimbursements for board members~~
7 ~~and administrators, including sampling of all reimbursements.~~

8 ~~(3) Review of internal controls, including review of~~
9 ~~receipts and disbursements.~~

10 ~~(4) Review of annual Federal and State tax filings,~~
11 ~~including the Internal Revenue Service Code Form 990, Return of~~
12 ~~Organization Exempt from Income Tax and all related schedules~~
13 ~~and appendices for the charter school and charter school~~
14 ~~foundation, if applicable.~~

15 ~~(5) Review of the financial statements of any charter school~~
16 ~~foundation.~~

17 ~~(6) Review of the selection and acceptance process of all~~
18 ~~contracts publicly bid pursuant to section 751.~~

19 ~~(7) Review of all board policies and procedures with regard~~
20 ~~to internal controls, code of ethics, conflicts of interest,~~
21 ~~whistle blower protections, complaints from parents or the~~
22 ~~public, compliance with 65 Pa.C.S. Ch. 7 (relating to open~~
23 ~~meetings), compliance with the "Right to Know Law," finances,~~
24 ~~budgeting, audits, public bidding and bonding.~~

25 ~~(e) The certified audit under subsection (d) and the annual~~
26 ~~budget under subsection (g) are public documents and shall be~~
27 ~~made available on the school district's publicly accessible~~
28 ~~Internet website and the charter school entity's publicly~~
29 ~~accessible Internet website, if applicable.~~

30 ~~(f) A charter school entity may be subject to an annual~~

1 ~~audit by the Auditor General, in addition to any other audits~~
2 ~~required by Federal law or this article.~~

3 ~~(g) A charter school entity shall annually provide the~~
4 ~~department and, in the case of a charter school or regional~~
5 ~~charter school, shall annually provide the school district, with~~
6 ~~a copy of the annual budget for the operation of the charter~~
7 ~~school entity that identifies the following:~~

8 ~~(1) The source of funding for all expenditures as part of~~
9 ~~its reporting under subsection (a).~~

10 ~~(2) Where funding is provided by a charter school~~
11 ~~foundation, the amount of funds and a description of the use of~~
12 ~~the funds.~~

13 ~~(3) The salaries of all administrators of the charter school~~
14 ~~entity.~~

15 ~~(4) All expenditures to an educational management service~~
16 ~~provider.~~

17 ~~(h) (1) Notwithstanding any other provision of law, a~~
18 ~~charter school entity and any affiliated charter school~~
19 ~~foundation shall make copies of its annual Federal and State tax~~
20 ~~filings available upon request and on the foundation's or~~
21 ~~charter school entity's publicly accessible Internet website, if~~
22 ~~applicable, including Internal Revenue Service Code Form 990,~~
23 ~~Return of Organization Exempt from Income Tax and all related~~
24 ~~schedules and appendices.~~

25 ~~(2) The charter school foundation shall also make copies of~~
26 ~~its annual budget available upon request and on the foundation's~~
27 ~~or the charter school entity's publicly accessible Internet~~
28 ~~website within thirty (30) days of the close of the foundation's~~
29 ~~fiscal year.~~

30 ~~(3) The annual budget shall include the salaries of all~~

1 ~~employees of the charter school foundation.~~

2 ~~Section 16. The act is amended by adding sections to read:~~

3 ~~Section 1728.1 A. Governing boards of institutions of higher~~
4 ~~education as authorizers of charter schools and regional charter~~
5 ~~schools. (a) The governing board of an institution of higher~~
6 ~~education may elect, by an affirmative vote of a majority of all~~
7 ~~members, to become an authorizer of charter schools or regional~~
8 ~~charter schools subject to the following:~~

9 ~~(1) An institution of higher education of at least 2,000~~
10 ~~enrolled students that confers a doctoral degree in education~~
11 ~~and is domiciled and headquartered with its principal physical~~
12 ~~location in this Commonwealth may authorize a charter school~~
13 ~~anywhere in this Commonwealth. For purposes of this paragraph,~~
14 ~~the term "physical location" includes a location with qualified~~
15 ~~on site administrative staff responsible for the overall~~
16 ~~administrative operation of all educational activities,~~
17 ~~including, but not limited to, instructional oversight,~~
18 ~~counseling, advising, library services and maintenance of~~
19 ~~academic records.~~

20 ~~(2) An institution of higher education of at least 2,000~~
21 ~~enrolled students that confers a bachelor's degree in education~~
22 ~~if completed in four (4) years of full time study and does not~~
23 ~~confer a doctoral degree in education may only authorize a~~
24 ~~charter school in school districts in the county where the~~
25 ~~institution has its primary campus and operations.~~

26 ~~(3) An institution of higher education of at least 2,000~~
27 ~~enrolled students that does not confer a bachelor's degree in~~
28 ~~education or a doctoral degree in education may only authorize a~~
29 ~~charter school within the school district where the institution~~
30 ~~has its primary campus and operations.~~

1 ~~(b) The governing board of an institution of higher~~
2 ~~education may not elect to become an authorizer of charter~~
3 ~~schools and regional schools prior to July 1, 2015.~~

4 ~~(c) All hearings held by the governing board of an~~
5 ~~institution of higher education under this article shall be~~
6 ~~conducted in accordance with 2 Pa.C.S. Ch. 5 Subch. A (relating~~
7 ~~to practice and procedure of Commonwealth agencies).~~

8 ~~Section 1728.2 A. Charter Authorizer Accountability. (a)~~
9 ~~Each local board of school directors of a district and the~~
10 ~~governing board of an institution of higher education shall be~~
11 ~~required to submit to the department an annual report~~
12 ~~summarizing:~~

13 ~~(1) The strategic vision for chartering and progress toward~~
14 ~~achieving that vision.~~

15 ~~(2) The academic and financial performance of all operating~~
16 ~~public charter schools and regional charter schools overseen by~~
17 ~~the local board or the governing board of an institution of~~
18 ~~higher education, according to the performance expectations for~~
19 ~~public charter schools set forth in this act.~~

20 ~~(3) The status of the local board of school directors' or~~
21 ~~the governing board of an institution of higher education's~~
22 ~~public charter school and regional charter school portfolio,~~
23 ~~identifying all public charter schools in each of the following~~
24 ~~categories: (i) approved, but not open; (ii) open and operating;~~
25 ~~and (iii) closed, including the year closed and the reason for~~
26 ~~closure.~~

27 ~~(4) The authorizing functions provided by the local board of~~
28 ~~school directors or the governing board of an institution of~~
29 ~~higher education to the public charter schools and regional~~
30 ~~charter schools under its purview, including the authorizer's~~

1 ~~operating costs and expenses detailed in annual audited~~
2 ~~financial statements that conform to generally accepted~~
3 ~~accounting principles.~~

4 ~~(b) The department shall be responsible for the following:~~

5 ~~(1) Oversight of the performance of each established local~~
6 ~~board of school directors of a district and the governing board~~
7 ~~of an institution of higher education.~~

8 ~~(2) Formal evaluation of the overall State charter school~~
9 ~~program and outcomes every five years.~~

10 ~~(3) For each local board of school directors of a district~~
11 ~~and the governing board of an institution of higher education,~~
12 ~~an annual review, based on objective data, to determine how well~~
13 ~~the authorizer is exercising its duties and maintaining a~~
14 ~~portfolio of high performing charter schools.~~

15 ~~(4) In reviewing or evaluating the performance of each local~~
16 ~~board of school directors of a district and the governing board~~
17 ~~of an institution of higher education, the department shall~~
18 ~~apply nationally recognized principles and standards of quality~~
19 ~~charter school authorizing including, but not limited to, those~~
20 ~~of the National Association of Charter School Authorizers.~~

21 ~~(c) The department shall publish the annual reviews on its~~
22 ~~publicly accessible Internet website and submit a summary report~~
23 ~~regarding authorizer performance to the Governor and the General~~
24 ~~Assembly.~~

25 ~~(d) The department shall develop a plan for sanctioning~~
26 ~~local boards of school directors of a district or governing~~
27 ~~boards of an institution of higher education that maintain~~
28 ~~portfolios with persistently low performing charter schools and~~
29 ~~regional charter schools and fail to provide adequate authorizer~~
30 ~~oversight or intervention that may include a corrective action~~

1 ~~plan for the authorizer and other sanctions deemed necessary by~~
2 ~~the department.~~

3 ~~Section 17. Section 1729 A(a), (b), (c) and (d) of the act,~~
4 ~~added June 19, 1997 (P.L.225, No.22), are amended to read:~~

5 ~~Section 1729 A. Causes for Nonrenewal or Termination. (a)~~
6 ~~During the term of the charter or at the end of the term of the~~
7 ~~charter, the local board of school directors or the governing~~
8 ~~board of an institution of higher education may choose to revoke~~
9 ~~or not to renew the charter based on any of the following:~~

10 ~~(1) One or more material violations of any of the~~
11 ~~conditions, standards or procedures contained in the written~~
12 ~~charter signed pursuant to section 1720 A.~~

13 ~~(2) Failure to meet the requirements for student performance~~
14 ~~[set forth in 22 Pa. Code Ch. 5 (relating to curriculum) or~~
15 ~~subsequent regulations promulgated to replace 22 Pa. Code Ch. 5]~~
16 ~~assessments or failure to meet any performance standard set~~
17 ~~forth in the written charter signed pursuant to section [1716 A]~~
18 ~~1720 A.~~

19 ~~(3) Failure to meet generally accepted standards of fiscal~~
20 ~~management or audit requirements.~~

21 ~~(4) Violation of provisions of this article.~~

22 ~~(5) Violation of any provision of law from which the charter~~
23 ~~school entity has not been exempted, including Federal laws and~~
24 ~~regulations governing children with disabilities.~~

25 ~~[(6) The charter school has been convicted of fraud.]~~

26 ~~* * *~~

27 ~~(b) [A member of the board of trustees who is convicted of a~~
28 ~~felony or any crime involving moral turpitude shall be~~
29 ~~immediately disqualified from serving on the board of trustees.]~~

30 ~~If, after a hearing under this section, a local board of school~~

~~1 directors or the governing board of an institution of higher
2 education or, in the case of a cyber charter school, the
3 department proves by a preponderance of the evidence that an
4 administrator or board member of a charter school entity has
5 violated this article, the terms and conditions of the charter
6 or any other violation of law, the local board of school
7 directors or the governing board of an institution of higher
8 education or, in the case of a cyber charter school, the
9 department may require the charter school entity to replace the
10 administrator or board member in order to obtain renewal of the
11 charter. The local board of school directors or the governing
12 board of an institution of higher education or, in the case of a
13 cyber charter school, the department may refer its findings to
14 the district attorney with jurisdiction or to the Office of
15 Attorney General for prosecution if the local board of school
16 directors or the governing board of an institution of higher
17 education or, in the case of a cyber charter school, the
18 department discovers or receives information about possible
19 violations of law by any person affiliated with or employed by a
20 charter school entity.~~

~~21 (c) Any notice of revocation or nonrenewal of a charter
22 given by the local board of school directors of a school
23 district or the governing board of an institution of higher
24 education shall state the grounds for such action with
25 reasonable specificity and give reasonable notice to the
26 governing board of the charter school or regional charter school
27 of the date on which a public hearing concerning the revocation
28 or nonrenewal will be held. The local board of school directors
29 or the governing board of an institution of higher education
30 shall conduct such hearing, present evidence in support of the~~

1 ~~grounds for revocation or nonrenewal stated in its notice and~~
2 ~~give the charter school or regional charter school reasonable~~
3 ~~opportunity to offer testimony before taking final action.~~
4 ~~Formal action revoking or not renewing a charter shall be taken~~
5 ~~by the local board of school directors or the governing board of~~
6 ~~an institution of higher education at a public meeting pursuant~~
7 ~~to [the act of July 3, 1986 (P.L.388, No.84), known as the~~
8 ~~"Sunshine Act,"] 65 Pa.C.S. Ch. 7 (relating to open meetings)~~
9 ~~after the public has had thirty (30) days to provide comments to~~
10 ~~the board. All proceedings of the local board pursuant to this~~
11 ~~subsection shall be subject to 2 Pa.C.S. Ch. 5 Subch. B~~
12 ~~(relating to practice and procedure of local agencies). Except~~
13 ~~as provided in subsection (d), the decision of the local board~~
14 ~~shall not be subject to 2 Pa.C.S. Ch. 7 Subch. B (relating to~~
15 ~~judicial review of local agency action).~~

16 ~~(d) Following the appointment and confirmation of the appeal~~
17 ~~board, but not before July 1, 1999, the charter school may~~
18 ~~appeal the decision of the local board of school directors to~~
19 ~~revoke or not renew the charter to the appeal board. The appeal~~
20 ~~board shall have the exclusive review of a decision not to renew~~
21 ~~or revoke a charter by the local board of school directors. The~~
22 ~~appeal board shall review the record and shall have the~~
23 ~~discretion to supplement the record if the supplemental~~
24 ~~information was previously unavailable. The appeal board may~~
25 ~~consider the charter school plan, annual reports, student~~
26 ~~performance and employe and community support for the charter~~
27 ~~school in addition to the record. The appeal board shall give~~
28 ~~due consideration to the findings of the local board of~~
29 ~~directors and specifically articulate its reasons for agreeing~~
30 ~~or disagreeing with those findings in its written decision.~~

1 * * *

2 Section 18. ~~The act is amended by adding sections to read:~~

3 ~~Section 1729.1 A. Evaluation of Educators. (a) All~~
4 ~~applications by a charter school entity for a charter or for the~~
5 ~~renewal of a charter shall include a system of evaluation for~~
6 ~~educators that includes both of the following:~~

7 ~~(1) At least four (4) rating categories of educator~~
8 ~~performance.~~

9 ~~(2) Multiple measures of student performance which shall~~
10 ~~include, but may not be limited to, value added assessment~~
11 ~~system data made available by the department under section 221~~
12 ~~and student performance on the most recent assessments for which~~
13 ~~results have been released by the department and may include~~
14 ~~goals specific to the mission of the charter school entity's~~
15 ~~charter.~~

16 ~~(b) Nothing in this section shall preempt the powers of a~~
17 ~~board of trustees under section 1716 A(a) nor affect the intent~~
18 ~~of the General Assembly provided in section 1702 A(3) and (4).~~

19 ~~(c) For purposes of this section, the term "educator" shall~~
20 ~~include all professional employes who are certified as teachers~~
21 ~~and noncertified staff members who teach in a charter school~~
22 ~~entity.~~

23 ~~Section 1729.2 A. Multiple Charter School Organizations.~~

24 ~~(a) Establishment shall be as follows:~~

25 ~~(1) Subject to the requirements of subsection (b), two or~~
26 ~~more charter schools may consolidate under 15 Pa.C.S. Pt. II~~
27 ~~Subpt. C (relating to nonprofit corporations) into a multiple~~
28 ~~charter school organization.~~

29 ~~(2) The multiple charter school organization shall be:~~

30 ~~(i) granted a single charter to operate two or more~~

~~1 individual charter schools under the oversight of a single board
2 of trustees and a chief administrator who shall oversee and
3 manage the operation of the individual charter schools under its
4 organization;~~

~~5 (ii) considered a charter school entity; and~~

~~6 (iii) subject to all of the requirements of this article
7 unless otherwise provided for under this section.~~

~~8 (3) Nothing under this subsection shall be construed to
9 affect or change the terms or conditions of any individual
10 charter previously granted that is consolidated under this
11 section.~~

~~12 (b) Including, but not limited to, any obligation of a
13 school district for transportation, the following apply to
14 consolidation of two or more individual charter schools into a
15 multiple charter school organization:~~

~~16 (1) A charter school that, prior to the effective date of
17 this section, was approved by a local board of school directors,
18 a special board of control, a School Reform Commission or
19 another governing authority and that chooses to consolidate into
20 a multiple charter school organization under this section may
21 apply to the department to consolidate all affiliated school
22 charters into a single charter within ninety (90) days after the
23 department publishes the standard application form required
24 under subsection (c). Beginning ninety one (91) days after the
25 department publishes the standard application form required
26 under subsection (c), no charter school that was approved prior
27 to the effective date of this section shall be eligible to
28 consolidate with another charter school.~~

~~29 (2) Consolidation is restricted as follows:~~

~~30 (i) Except as set forth in subparagraph (ii), a charter~~

1 ~~school shall not be eligible to consolidate with another charter~~
2 ~~school that:~~

3 ~~(A) within either of the most recent two (2) school years,~~
4 ~~has failed to meet the requirements for student performance set~~
5 ~~forth in 22 Pa. Code Ch. 4 (relating to academic standards and~~
6 ~~assessment);~~

7 ~~(B) does not meet accepted standards of fiscal management or~~
8 ~~audit requirements; or~~

9 ~~(C) does not meet the standards set forth by the matrix~~
10 ~~established under section 1732 A(c) (3).~~

11 ~~(ii) Subparagraph (i) shall not apply if the consolidation~~
12 ~~includes a charter school which is not in violation of~~
13 ~~subparagraph (i) over the most recent two (2) school years.~~

14 ~~(iii) Clause (i) (C) shall not apply until the matrix~~
15 ~~required under section 1732 A(c) (3) has been developed.~~

16 ~~(3) The board of trustees of each charter school shall~~
17 ~~jointly submit their charter school's current charter and annual~~
18 ~~report to the department and request that oversight over the~~
19 ~~multiple charter school organization, including the authority to~~
20 ~~consider applications for renewal, be transferred to the~~
21 ~~department.~~

22 ~~(4) (i) Upon receipt of a consolidation and transfer~~
23 ~~application and all necessary documentation as required by the~~
24 ~~department, the department shall have thirty (30) days to~~
25 ~~approve or deny the consolidation and transfer application.~~

26 ~~(ii) Written notice of the department's action shall be sent~~
27 ~~to the applicants. If the application is denied, the reasons for~~
28 ~~the denial, including a description of deficiencies in the~~
29 ~~application, shall be clearly stated in the notice sent by the~~
30 ~~department to the applicants.~~

~~(iii) If the department approves the consolidation and transfer, the department shall provide notification to the local boards of school directors, the special boards of control, the School Reform Commission or other governing authorities which initially approved the charters.~~

~~(iv) A decision by the department to deny the consolidation and transfer application under subparagraph (i) may be appealed to the appeal board. The following shall apply to an appeal under this paragraph:~~

~~(A) In the case of an appeal under this clause, the appeal board shall review the application and make a decision to approve or deny the consolidation and transfer application based on whether the application includes the information required under subsection (c).~~

~~(B) Within thirty (30) days following receipt of an appeal under this clause, the appeal board shall meet to officially review the certified record of the department.~~

~~(C) Within sixty (60) days following the review conducted pursuant to clause (B), the appeal board shall issue a written decision affirming or reversing the decision of the department. Written notice of the decision of the appeal board shall be provided to the parties.~~

~~(D) A decision by the appeal board under this clause to approve the consolidation and transfer application shall serve as a requirement for the department to approve the application and provide notification of the approval to the local boards of school directors, the special boards of control, the School Reform Commission or other governing authorities which initially approved the charters within ten (10) days of the reversal of the decision of the department. If the department fails to~~

~~1 provide notification within ten (10) days of the reversal of the~~
~~2 decision of the department, the application shall be deemed to~~
~~3 be approved, and the appeal board shall provide notification of~~
~~4 the approval to the local boards of school directors, the~~
~~5 special boards of control, the School Reform Commission or other~~
~~6 governing authorities which initially approved the charters.~~

~~7 (E) All decisions of the appeal board shall be subject to~~
~~8 appellate review by the Commonwealth Court.~~

~~9 (5) No later than thirty (30) days after the receipt of the~~
~~10 notification of approval required under paragraph (4), the local~~
~~11 boards of school directors, the special boards of control, the~~
~~12 School Reform Commission or other governing authorities which~~
~~13 initially approved the charters shall transfer to the department~~
~~14 all records regarding oversight of the charter schools.~~

~~15 (6) A charter school's charter term shall remain in effect~~
~~16 until the time of expiration, at which time the department will~~
~~17 undertake a comprehensive review prior to granting a ten year~~
~~18 charter renewal.~~

~~19 (c) Within thirty (30) days of the effective date of this~~
~~20 section, the department shall develop and issue a standard~~
~~21 application form for multiple charter school organization~~
~~22 applicants and shall publish the application form in the~~
~~23 Pennsylvania Bulletin and on the department's publicly~~
~~24 accessible Internet website. The application form shall contain~~
~~25 the following information:~~

~~26 (1) The name of the multiple charter school organization.~~

~~27 (2) The names of the charter schools seeking consolidation~~
~~28 and transfer under this section.~~

~~29 (3) A copy of the approved charter of each charter school~~
~~30 seeking to consolidate and transfer oversight functions to the~~

1 ~~department.~~

2 ~~(4) An organizational chart clearly presenting the proposed~~
3 ~~governance structure of the multiple charter school~~
4 ~~organization, including lines of authority and reporting between~~
5 ~~the board of trustees, chief administrator, administrators,~~
6 ~~staff and any educational management service provider that will~~
7 ~~play a role in providing management services to the charter~~
8 ~~schools under its jurisdiction.~~

9 ~~(5) A clear description of the roles and responsibilities~~
10 ~~for the board of trustees, chief administrator, administrators~~
11 ~~and any other entities, including a charter school foundation,~~
12 ~~shown in the organizational chart.~~

13 ~~(6) A clear description and method for the appointment or~~
14 ~~election of members of the board of trustees.~~

15 ~~(7) Standards for board of trustees performance, including~~
16 ~~compliance with all applicable laws, regulations and terms of~~
17 ~~the charter.~~

18 ~~(8) Enrollment procedures for each individual charter school~~
19 ~~included in its charter.~~

20 ~~(9) Any other information as deemed necessary by the~~
21 ~~department.~~

22 ~~(d) A multiple charter school organization may:~~

23 ~~(1) Participate in the assessment system in the same manner~~
24 ~~in which a school district participates, with its individual~~
25 ~~charter schools participating in the assessment system in the~~
26 ~~same manner as individual schools in school districts. All data~~
27 ~~gathered for purposes of evaluation shall be gathered in the~~
28 ~~same manner in which data is gathered in the case of school~~
29 ~~districts and individual schools in school districts.~~

30 ~~(2) Beginning ninety one (91) days after the department~~

1 ~~publishes the standard application form required under~~
2 ~~subsection (c), add newly established charter schools to its~~
3 ~~organization through both of the following:~~

4 ~~(i) Establish a new charter school by applying for a charter~~
5 ~~through the local school board under section 1717 A; and~~

6 ~~(ii) Apply to the department to consolidate and transfer~~
7 ~~under this section.~~

8 ~~(3) Amend the individual charters of each charter school~~
9 ~~under its organization by seeking approval from the department~~
10 ~~under the amendment process included under section 1720 A.~~

11 ~~(4) Allow students enrolled in an individual charter school~~
12 ~~to matriculate to another individual charter school under its~~
13 ~~oversight so as to complete a course of instruction in an~~
14 ~~educational institution from kindergarten through grade twelve.~~

15 ~~(e) The annual report required under section 1728 A shall be~~
16 ~~provided by the board of trustees and chief administrator of the~~
17 ~~multiple charter school organization and shall include all~~
18 ~~information required to provide a basis for evaluation for~~
19 ~~renewal of each individual charter school under the oversight of~~
20 ~~the multiple charter school organization.~~

21 ~~(f) A multiple charter school organization shall be regarded~~
22 ~~as the holder of the charter of each individual charter school~~
23 ~~under its oversight and each previously or subsequently awarded~~
24 ~~charter shall be subject to nonrenewal or revocation in~~
25 ~~accordance with this act. The nonrenewal or revocation shall not~~
26 ~~affect the status of a charter awarded for any other individual~~
27 ~~charter school under the oversight of the multiple charter~~
28 ~~school organization.~~

29 ~~(g) The department shall:~~

30 ~~(1) Receive, review and act on multiple charter school~~

1 ~~organization consolidation and transfer applications under this~~
2 ~~section.~~

3 ~~(2) Exercise oversight over multiple charter school~~
4 ~~organizations approved under this section.~~

5 ~~(3) Develop and issue a standard application form for~~
6 ~~multiple charter school organization applicants and publish the~~
7 ~~application form in the Pennsylvania Bulletin and on the~~
8 ~~department's publicly accessible Internet website under~~
9 ~~subsection (c).~~

10 ~~(h) For purposes of this section, the term "charter school"~~
11 ~~shall include a regional charter school.~~

12 Section 19. ~~Section 1732 A of the act, amended June 29, 2002~~
13 ~~(P.L.524, No.88), is amended to read:~~

14 Section 1732 A. ~~Provisions Applicable to Charter Schools and~~
15 ~~Regional Charter Schools.~~ (a) ~~Charter schools and regional~~
16 ~~charter schools shall be subject to the following:~~

17 Sections ~~108, 110, 111, 321, 325, 326, 327, 431, 436, 443,~~
18 ~~510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 752, 753,~~
19 ~~{755,} 771, 776, 777, 808, 809, 810, 1109, 1111, 1112(a),~~
20 ~~1205.1, 1205.2, 1205.3, 1205.4, 1205.5, 1301, 1302, 1303, 1310,~~
21 ~~1317, 1317.1, 1317.2, 1317.3, 1318, 1327, 1330, 1332, 1333,~~
22 ~~1303 A, 1513, 1517, 1518, 1521, 1523, 1531, 1547, 2014 A,~~
23 ~~Article XIII A and Article XIV.~~

24 ~~Act of July 19, 1957 (P.L.1017, No.451), known as the "State~~
25 ~~Adverse Interest Act."~~

26 ~~Act of July 17, 1961 (P.L.776, No.341), known as the~~
27 ~~"Pennsylvania Fair Educational Opportunities Act."~~

28 ~~Act of July 19, 1965 (P.L.215, No.116), entitled "An act~~
29 ~~providing for the use of eye protective devices by persons~~
30 ~~engaged in hazardous activities or exposed to known dangers in~~

1 ~~schools, colleges and universities."~~

2 ~~Section 4 of the act of January 25, 1966 (1965 P.L.1546,~~
3 ~~No.541), entitled "An act providing scholarships and providing~~
4 ~~funds to secure Federal funds for qualified students of the~~
5 ~~Commonwealth of Pennsylvania who need financial assistance to~~
6 ~~attend postsecondary institutions of higher learning, making an~~
7 ~~appropriation, and providing for the administration of this~~
8 ~~act."~~

9 ~~Act of July 12, 1972 (P.L.765, No.181), entitled "An act~~
10 ~~relating to drugs and alcohol and their abuse, providing for~~
11 ~~projects and programs and grants to educational agencies, other~~
12 ~~public or private agencies, institutions or organizations."~~

13 ~~Act of December 15, 1986 (P.L.1595, No.175), known as the~~
14 ~~"Antihazing Law."~~

15 ~~The "Right to Know Law."~~

16 ~~65 Pa.C.S. Ch. 7 (relating to open meetings).~~

17 ~~65 Pa.C.S. Ch. 11 (relating to ethics standards and financial~~
18 ~~disclosure).~~

19 ~~(b) Charter schools shall be subject to the following~~
20 ~~provisions of 22 Pa. Code:~~

21 ~~{Section 5.216 (relating to ESOL).~~

22 ~~Section 5.4 (relating to general policies).}~~

23 ~~Chapter 4 (relating to academic standards and assessments).~~

24 ~~Chapter 11 (relating to pupil attendance).~~

25 ~~Chapter 12 (relating to students).~~

26 ~~Section 32.3 (relating to assurances).~~

27 ~~Section 121.3 (relating to discrimination prohibited).~~

28 ~~Section 235.4 (relating to practices).~~

29 ~~Section 235.8 (relating to civil rights).~~

30 ~~Chapter 711 (relating to charter school services and programs~~

1 ~~for children with disabilities).~~

2 ~~(c) (1) The secretary may promulgate additional regulations~~
3 ~~relating to charter schools and regional charter schools.~~

4 ~~(2) The secretary shall have the authority and the~~
5 ~~responsibility to ensure that charter schools and regional~~
6 ~~charter schools comply with Federal laws and regulations~~
7 ~~governing children with disabilities. The secretary shall~~
8 ~~promulgate regulations to implement this provision.~~

9 ~~(3) (i) Within one (1) year of the effective date of this~~
10 ~~clause, the department shall develop a standard performance~~
11 ~~matrix to evaluate charter school entity performance and shall~~
12 ~~promulgate regulations pursuant to the act of June 25, 1982~~
13 ~~(P.L.633, No.181), known as the "Regulatory Review Act," to~~
14 ~~implement this section.~~

15 ~~(ii) The performance matrix shall assess performance by~~
16 ~~utilizing objective criteria, including, but not limited to:~~
17 ~~student performance on the Pennsylvania System of School~~
18 ~~Assessment test, the Keystone Exam or another test established~~
19 ~~by the State board to meet the requirements of section 2603-B(d)~~
20 ~~(10) (i) and required under the No Child Left Behind Act of 2001~~
21 ~~(Public Law 107-110, 115 Stat. 1425) or its successor Federal~~
22 ~~statute; annual growth as measured by the Pennsylvania Value~~
23 ~~Added Assessment System; attendance; attrition rates; graduation~~
24 ~~rates; other standardized test scores; school safety; parent~~
25 ~~satisfaction; accreditation by a nationally recognized~~
26 ~~accreditation agency, including the Middle States Association of~~
27 ~~Colleges and Schools or another regional institutional~~
28 ~~accrediting agency recognized by the United States Department of~~
29 ~~Education or an equivalent federally recognized body for charter~~
30 ~~school education; and other measures of school quality,~~

1 ~~including measures for assessing teacher effectiveness.~~

2 ~~(iii) In developing the performance matrix, the department~~
3 ~~shall determine an academic quality benchmark the satisfaction~~
4 ~~of which shall qualify a charter school entity for a ten (10)~~
5 ~~year renewal term pursuant to sections 1720 A and 1745 A(f). The~~
6 ~~academic quality benchmark shall be included in the regulations~~
7 ~~required under subclause (i).~~

8 ~~(iv) The department shall develop the performance matrix~~
9 ~~with input from charter school entity operators and may contract~~
10 ~~for consulting services with an entity that has experience in~~
11 ~~developing performance matrices if the services are procured~~
12 ~~through a competitive bidding process.~~

13 ~~(v) No local board of school directors or the governing~~
14 ~~board of an institution of higher education may develop a~~
15 ~~separate performance matrix for the evaluation of a charter~~
16 ~~school entity.~~

17 ~~(vi) A local board of school directors or the governing~~
18 ~~board of an institution of higher education shall utilize the~~
19 ~~standard performance matrix as a primary factor in evaluating~~
20 ~~new charter school and regional charter school applicants and~~
21 ~~applicants for charter school and regional charter school~~
22 ~~renewal and in annual monitoring and evaluation of charter~~
23 ~~schools and regional charter schools.~~

24 ~~(vii) The department shall utilize the standard performance~~
25 ~~matrix as a primary factor in evaluating new and renewal cyber~~
26 ~~charter school applicants and in annual monitoring and~~
27 ~~evaluation of cyber charter schools.~~

28 ~~(viii) The department shall distribute the performance~~
29 ~~matrix to all local boards of school directors or the governing~~
30 ~~board of an institution of higher education and shall publish~~

1 ~~the matrix on the department's publicly accessible Internet~~
2 ~~website.~~

3 Section 20. ~~The act is amended by adding a section to read:~~

4 ~~Section 1733 A. Effect on Existing Charter School~~

5 ~~Entities. (a) Within one (1) year of the effective date of~~

6 ~~this section, a charter school entity established under section~~

7 ~~1717 A or 1718 A prior to the effective date of this section~~

8 ~~shall amend the current charter through the amendment process~~

9 ~~under sections 1720 A(c) and 1745 A(f) (5) as needed to reflect~~

10 ~~the requirements of this article. Any renewal that takes effect~~

11 ~~after July 15, 2013, shall be for the term specified under~~

12 ~~sections 1720 A(a) and 1745 A(f) (3).~~

13 ~~(b) A charter school entity approved after the effective~~

14 ~~date of this section shall be in full compliance with this~~

15 ~~article.~~

16 Section 21. ~~Sections 1741 A(c), 1742 A and 1743 A(a) and (e)~~

17 ~~of the act, added June 29, 2002 (P.L.524, No.88), are amended to~~

18 ~~read:~~

19 ~~Section 1741 A. Powers and duties of department.~~

20 ~~* * *~~

21 ~~(c) Documents. Documents of the appeal board shall be~~

22 ~~subject to [the act of June 21, 1957 (P.L.390, No.212), referred~~

23 ~~to as the Right to Know Law.] the act of February 14, 2008~~

24 ~~(P.L.6, No.3), known as the Right to Know Law.~~

25 ~~Section 1742 A. Assessment and evaluation.~~

26 ~~The department shall:~~

27 ~~(1) Annually assess whether each cyber charter school is~~

28 ~~meeting the goals of its charter and is in compliance with~~

29 ~~the provisions of the charter and conduct a comprehensive~~

30 ~~review prior to granting a [five year] renewal of the~~

1 ~~charter.~~

2 ~~(2) Annually review each cyber charter school's~~
3 ~~performance on the Pennsylvania System of School Assessment~~
4 ~~test, standardized tests and other performance indicators to~~
5 ~~ensure compliance with 22 Pa. Code Ch. 4 (relating to~~
6 ~~academic standards and assessment) or subsequent regulations~~
7 ~~promulgated to replace 22 Pa. Code Ch. 4.~~

8 ~~(3) Have ongoing access to all records, instructional~~
9 ~~materials and student and staff records of each cyber charter~~
10 ~~school and to every cyber charter school facility to ensure~~
11 ~~the cyber charter school is in compliance with its charter~~
12 ~~and this subdivision.~~

13 ~~Section 1743 A. Cyber charter school requirements and~~
14 ~~prohibitions.~~

15 ~~(a) Special financial requirements prohibited. A cyber~~
16 ~~charter school shall not:~~

17 ~~(1) provide discounts to a school district or waive~~
18 ~~payments under section [1725 A] 1752 A for any student;~~

19 ~~(2) except as provided for in subsection (e), provide~~
20 ~~payments to parents or guardians for the purchase of~~
21 ~~instructional materials; or~~

22 ~~(3) except as compensation for the provision of specific~~
23 ~~services, enter into agreements to provide funds to a school~~
24 ~~entity.~~

25 ~~***~~

26 ~~(e) Students. For each student enrolled, a cyber charter~~
27 ~~school shall:~~

28 ~~(1) provide all instructional materials, which may~~
29 ~~include electronic or digital books in place of textbooks;~~

30 ~~(2) provide all equipment, including, but not limited~~

1 ~~to, a computer, computer monitor and printer; and~~
2 ~~(3) provide or reimburse for all technology and services~~
3 ~~necessary for the on line delivery of the curriculum and~~
4 ~~instruction.~~

5 ~~The Commonwealth shall not be liable for any reimbursement owed~~
6 ~~to students, parents or guardians by a cyber charter school~~
7 ~~under paragraph (3).~~

8 * * *

9 ~~Section 22. Section 1745 A(f) of the act, added June 29,~~
10 ~~2002 (P.L.524, No.88), is amended and the section is amended by~~
11 ~~adding a subsection to read:~~

12 ~~Section 1745 A. Establishment of cyber charter school.~~

13 * * *

14 ~~(b.1) Local board of school directors or intermediate~~
15 ~~unit.~~

16 ~~(1) A cyber charter school may be established by a local~~
17 ~~board of school directors or an intermediate unit if the~~
18 ~~procedures and requirements of this article are satisfied.~~

19 ~~(2) Nothing in this article shall be construed to~~
20 ~~preclude a school district or an intermediate unit from~~
21 ~~offering instruction via the Internet or other electronic~~
22 ~~means, except that the instruction shall not be recognized as~~
23 ~~a cyber charter school under this article.~~

24 * * *

25 ~~(f) Evaluation criteria.~~

26 ~~(1) A cyber charter school application submitted under~~
27 ~~this subdivision shall be evaluated by the department based~~
28 ~~on the following criteria:~~

29 ~~(i) The demonstrated, sustainable support for the~~
30 ~~cyber charter school plan by teachers, parents or~~

1 ~~guardians and students.~~

2 ~~(ii) The capability of the cyber charter school~~
3 ~~applicant, in terms of support and planning, to provide~~
4 ~~comprehensive learning experiences to students under the~~
5 ~~charter.~~

6 ~~(iii) The extent to which the programs outlined in~~
7 ~~the application will enable students to meet the academic~~
8 ~~standards under 22 Pa. Code Ch. 4 (relating to academic~~
9 ~~standards and assessment) or subsequent regulations~~
10 ~~promulgated to replace 22 Pa. Code Ch. 4.~~

11 ~~(iv) The extent to which the application meets the~~
12 ~~requirements of section 1747 A.~~

13 ~~[(v) The extent to which the cyber charter school~~
14 ~~may serve as a model for other public schools.]~~

15 ~~(2) Written notice of the action of the department shall~~
16 ~~be sent by certified mail to the applicant and published on~~
17 ~~the department's [World Wide Web site] publicly accessible~~
18 ~~Internet website. If the application is denied, the reasons~~
19 ~~for denial, including a description of deficiencies in the~~
20 ~~application, shall be clearly stated in the notice.~~

21 ~~(3) Upon approval of a cyber charter school application,~~
22 ~~a written charter shall be developed which shall contain the~~
23 ~~provisions of the charter application and be signed by the~~
24 ~~secretary and each member of the board of trustees of the~~
25 ~~cyber charter school. The charter, when duly signed, shall~~
26 ~~act as legal authorization of the establishment of a cyber~~
27 ~~charter school. The charter shall be legally binding on the~~
28 ~~department, the cyber charter school and its board of~~
29 ~~trustees. The charter shall be for a period of [no less than~~
30 ~~three years nor more than] five years. Upon the effective~~

~~date of the regulations implementing the performance matrix as required by section 1732 A(c) (3), a cyber charter school that satisfied the academic quality benchmark established by the department pursuant to section 1732 A(c) (3) and may be renewed for a period of [five] ten years by the department. A cyber charter school that has not satisfied the academic quality benchmark established by the department pursuant to section 1732 A(c) (3) may be renewed for five (5) year periods upon reauthorization by the department.~~

~~(4) The decision of the department to deny an application may be appealed to the appeal board.~~

~~(5) (i) A cyber charter school may request amendments to its approved written charter by filing with the department a written document describing the requested amendment.~~

~~(ii) Within 20 days of its receipt of the request for an amendment, the department shall hold a public hearing on the requested amendment under 65 Pa.C.S. Ch. 7 (relating to open meetings).~~

~~(iii) Within 20 days after the hearing, the department shall grant or deny the requested amendment. Failure by the department to hold a public hearing and to grant or deny the amendments within the time period specified shall be deemed an approval.~~

~~(iv) An applicant for an amendment shall have the right to appeal the denial of a requested amendment to the appeal board provided for under section 1721 A.~~

~~* * *~~

~~Section 23. Sections 1748 A(a) (2) (vi) and 1749 A(a) of the act, added June 29, 2002 (P.L.524, No.88), are amended to read:
Section 1748 A. Enrollment and notification.~~

1 ~~(a) Notice to school district.~~

2 * * *

3 ~~(2) If a school district which has received notice under~~
4 ~~paragraph (1) determines that a student is not a resident of~~
5 ~~the school district, the following apply:~~

6 * * *

7 ~~(vi) A school district shall continue to make~~
8 ~~payments to a cyber charter school under section [1725 A]~~
9 ~~1752 A during the time in which the school district of~~
10 ~~residence of a student is in dispute.~~

11 * * *

12 ~~Section 1749 A. Applicability of other provisions of this act~~
13 ~~and of other acts and regulations.~~

14 ~~(a) General requirements. Cyber charter schools shall be~~
15 ~~subject to the following:~~

16 ~~(1) Sections 108, 110, 111, 321, 325, 326, 327, 431,~~
17 ~~436, 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741,~~
18 ~~752, 753, [755,] 771, 776, 777, 808, 809, 810, 1109, 1111,~~
19 ~~1112(a), 1205.1, 1205.2, 1205.3, 1205.5, 1301, 1302, 1303,~~
20 ~~1310, 1317, 1317.2, 1318, 1327, 1330, 1332, 1333, 1303 A,~~
21 ~~1513, 1517, 1518, 1521, 1523, 1525, 1531, 1547, 1602 B, 1613~~
22 ~~B, 1702 A, 1703 A, 1704 A, 1714 A, 1715 A, 1716 A, 1719 A,~~
23 ~~1721 A, 1722 A, [1723 A(a) and (b)] 1723 A (a), (b) and (d),~~
24 ~~1724 A, [1725 A,] 1727 A, 1728 A(d), (e), (f), (g) and (h),~~
25 ~~1729 A, 1729.1 A, 1730 A, 1731 A(a) (1) and (b), 1732 A(c) (3),~~
26 ~~1733 A and 2014 A and Articles [XII A,] XIII A and XIV.~~

27 ~~(1.1) The act of July 19, 1957 (P.L.1017, No.451), known~~
28 ~~as the State Adverse Interest Act.~~

29 ~~(2) The act of July 17, 1961 (P.L.776, No.341), known as~~
30 ~~the Pennsylvania Fair Educational Opportunities Act.~~

1 ~~(3) The act of July 19, 1965 (P.L.215, No.116), entitled~~
2 ~~"An act providing for the use of eye protective devices by~~
3 ~~persons engaged in hazardous activities or exposed to known~~
4 ~~dangers in schools, colleges and universities."~~

5 ~~(4) Section 4 of the act of January 25, 1966 (1965-~~
6 ~~P.L.1546, No.541), entitled "An act providing scholarships~~
7 ~~and providing funds to secure Federal funds for qualified~~
8 ~~students of the Commonwealth of Pennsylvania who need~~
9 ~~financial assistance to attend postsecondary institutions of~~
10 ~~higher learning, making an appropriation, and providing for~~
11 ~~the administration of this act."~~

12 ~~(5) The act of July 12, 1972 (P.L.765, No.181) entitled~~
13 ~~"An act relating to drugs and alcohol and their abuse,~~
14 ~~providing for projects and programs and grants to educational~~
15 ~~agencies, other public or private agencies, institutions or~~
16 ~~organizations."~~

17 ~~(6) The act of December 15, 1986 (P.L.1595, No.175),~~
18 ~~known as the Antihazing Law.~~

19 ~~(7) The Right to Know Law.~~

20 ~~(8) 65 Pa.C.S. Ch. 7 (relating to open meetings).~~

21 ~~(9) 65 Pa.C.S. Ch. 11 (relating to ethics standards and~~
22 ~~financial disclosure).~~

23 ~~* * *~~

24 Section 24. The act is amended by adding a section to read:
25 ~~Section 1752 A. Funding for cyber charter schools.~~

26 ~~(a) General rule. Funding for a cyber charter school shall~~
27 ~~be provided under section 1725 A(a) (1), (4), (5) and (6) and as~~
28 ~~follows:~~

29 ~~(1) For non special education students, the cyber~~
30 ~~charter school shall receive for each student enrolled, 95%~~

~~of the amount calculated to be paid by the district of residence under section 1725 A(a) (2). This amount shall be paid by the school district of residence of each student.~~

~~(2) For special education students, the cyber charter school shall receive for each student enrolled, 95% of the amount calculated to be paid by the district of residence under section 1725 A(a) (3). This amount shall be paid by the school district of residence of each student.~~

~~(b) Transition procedure. The department shall develop a transition procedure to be able to recoup in subsequent fiscal years any payments made in error to a cyber charter school as a result of direct payment by the department to the cyber charter school.~~

~~(c) Donations.~~

~~(1) It shall be lawful for any cyber charter school to receive, hold, manage and use, absolutely or in trust, any devise, bequest, grant, endowment, gift or donation of any property, real, personal or mixed, which shall be made to the cyber charter school for any of the purposes of this article.~~

~~(2) It shall be unlawful for any trustee of a cyber charter school or any board of trustees of a cyber charter school or any other person affiliated in any way with a cyber charter school to demand or request, directly or indirectly, any gift, donation or contribution of any kind from any parent, teacher, employee or any other person affiliated with the cyber charter school as a condition for employment or enrollment or continued attendance of any pupil. Any donation, gift or contribution received by a cyber charter school must be given freely and voluntarily.~~

~~Section 25. This act shall take effect as follows:~~

1 SECTION 1602-B. DEFINITIONS.

2 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE
3 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
4 CONTEXT CLEARLY INDICATES OTHERWISE:

5 * * *

6 "CONCURRENT STUDENT." A STUDENT WHO IS ENROLLED IN A SCHOOL
7 DISTRICT, A CHARTER SCHOOL, A REGIONAL CHARTER SCHOOL, A CYBER
8 CHARTER SCHOOL, AN AREA VOCATIONAL-TECHNICAL SCHOOL, A NONPUBLIC
9 SCHOOL, A PRIVATE SCHOOL OR A HOME EDUCATION PROGRAM UNDER
10 SECTION 1327.1 AND WHO TAKES A CONCURRENT COURSE THROUGH A
11 CONCURRENT ENROLLMENT PROGRAM.

12 * * *

13 "SCHOOL ENTITY." A SCHOOL DISTRICT, A CHARTER SCHOOL, A
14 REGIONAL CHARTER SCHOOL, A CYBER CHARTER SCHOOL OR AN AREA
15 VOCATIONAL-TECHNICAL SCHOOL.

16 * * *

17 SECTION 3. SECTION 1613-B OF THE ACT IS AMENDED BY ADDING A
18 SUBSECTION TO READ:

19 SECTION 1613-B. CONCURRENT ENROLLMENT AGREEMENTS.

20 * * *

21 (C) CHARTER SCHOOLS, REGIONAL CHARTER SCHOOLS AND CYBER
22 CHARTER SCHOOLS.--CHARTER SCHOOLS, REGIONAL CHARTER SCHOOLS AND
23 CYBER CHARTER SCHOOLS SHALL HAVE THE POWER AND AUTHORITY TO
24 ENTER INTO A CONCURRENT ENROLLMENT AGREEMENT WITH AN INSTITUTION
25 OF HIGHER EDUCATION AND APPROPRIATE CREDIT SHALL BE AWARDED TO
26 STUDENTS CONCURRENTLY ENROLLED UNDER THE AGREEMENT.

27 SECTION 4. SECTION 1703-A OF THE ACT, AMENDED JUNE 29, 2002
28 (P.L.524, NO.88), IS AMENDED TO READ:

29 SECTION 1703-A. DEFINITIONS.--AS USED IN THIS ARTICLE,

30 "ADMINISTRATOR" SHALL INCLUDE AN EMPLOYE OF A CHARTER SCHOOL

1 ENTITY, INCLUDING THE CHIEF ADMINISTRATOR OF A CHARTER SCHOOL
2 ENTITY AND ANY OTHER EMPLOYEE, WHO BY VIRTUE OF THE EMPLOYEE'S
3 POSITION IS RESPONSIBLE FOR TAKING OFFICIAL ACTION OF A
4 NONMINISTERIAL NATURE WITH REGARD TO CONTRACTING OR PROCUREMENT,
5 ADMINISTERING OR MONITORING GRANTS OR SUBSIDIES, MANAGING OR
6 REGULATING STAFF, STUDENT AND SCHOOL ACTIVITIES OR ANY ACTIVITY
7 WHERE THE OFFICIAL ACTION HAS AN ECONOMIC IMPACT OF GREATER THAN
8 A DE MINIMIS NATURE ON THE INTERESTS OF ANY PERSON.

9 "APPEAL BOARD" SHALL MEAN THE STATE CHARTER SCHOOL APPEAL
10 BOARD ESTABLISHED BY THIS ARTICLE.

11 "ASSESSMENT" SHALL MEAN THE PENNSYLVANIA SYSTEM OF SCHOOL
12 ASSESSMENT TEST, THE KEYSTONE EXAM OR ANOTHER TEST ESTABLISHED
13 BY THE STATE BOARD TO MEET THE REQUIREMENTS OF SECTION 2603-
14 B(D) (10) (I) AND REQUIRED UNDER THE NO CHILD LEFT BEHIND ACT OF
15 2001 (PUBLIC LAW 107-110, 115 STAT. 1425) OR ITS SUCCESSOR
16 FEDERAL STATUTE.

17 "ASSOCIATED NONPROFIT FOUNDATION" SHALL MEAN AN ENTITY
18 ORGANIZED AS A PENNSYLVANIA NONPROFIT CORPORATION PURSUANT TO 15
19 PA.C.S. § 5306 (RELATING TO ARTICLES OF INCORPORATION),
20 OPERATING EXCLUSIVELY FOR THE SUPPORT AND BENEFIT OF A
21 PENNSYLVANIA CHARTER SCHOOL ENTITY ORGANIZED UNDER THIS
22 ARTICLE. THE TERM SHALL INCLUDE AN ASSOCIATED NONPROFIT
23 CORPORATION.

24 "AT-RISK STUDENT" SHALL MEAN A STUDENT AT RISK OF EDUCATIONAL
25 FAILURE BECAUSE OF LIMITED ENGLISH PROFICIENCY, POVERTY,
26 COMMUNITY FACTORS, TRUANCY, ACADEMIC DIFFICULTIES OR ECONOMIC
27 DISADVANTAGE.

28 "CHARTER SCHOOL" SHALL MEAN AN INDEPENDENT PUBLIC SCHOOL
29 ESTABLISHED AND OPERATED UNDER A CHARTER FROM THE LOCAL BOARD OF
30 SCHOOL DIRECTORS AND IN WHICH STUDENTS ARE ENROLLED OR ATTEND. A

1 CHARTER SCHOOL MUST BE ORGANIZED AS A PUBLIC, NONPROFIT
2 CORPORATION. CHARTERS MAY NOT BE GRANTED TO ANY FOR-PROFIT
3 ENTITY.

4 "CHARTER SCHOOL ENTITY" SHALL MEAN A CHARTER SCHOOL, REGIONAL
5 CHARTER SCHOOL OR CYBER CHARTER SCHOOL.

6 "CHARTER SCHOOL FOUNDATION" SHALL MEAN A NONPROFIT
7 ORGANIZATION, AS DEFINED UNDER SECTION 501(C)(3) OF THE INTERNAL
8 REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. § 501(C)(3)),
9 THAT PROVIDES FUNDING, RESOURCES OR OTHERWISE SERVES TO SUPPORT
10 A CHARTER SCHOOL ENTITY, EITHER DIRECTLY OR THROUGH AN
11 AFFILIATED ENTITY.

12 "CHIEF ADMINISTRATOR" SHALL MEAN AN INDIVIDUAL APPOINTED BY A
13 BOARD OF TRUSTEES TO OVERSEE AND MANAGE THE OPERATION OF A
14 CHARTER SCHOOL ENTITY. THE TERM SHALL NOT INCLUDE A PROFESSIONAL
15 STAFF MEMBER UNDER THIS ARTICLE.

16 ["CHIEF EXECUTIVE OFFICER" SHALL MEAN AN INDIVIDUAL APPOINTED
17 BY THE BOARD OF TRUSTEES TO OVERSEE AND MANAGE THE OPERATION OF
18 THE CHARTER SCHOOL, BUT WHO SHALL NOT BE DEEMED A PROFESSIONAL
19 STAFF MEMBER UNDER THIS ARTICLE.]

20 "CYBER CHARTER SCHOOL" SHALL MEAN AN INDEPENDENT PUBLIC
21 SCHOOL ESTABLISHED AND OPERATED UNDER A CHARTER FROM THE
22 DEPARTMENT OF EDUCATION AND IN WHICH THE SCHOOL USES TECHNOLOGY,
23 INCLUDING ELECTRONIC OR DIGITAL BOOKS, IN ORDER TO PROVIDE A
24 SIGNIFICANT PORTION OF ITS CURRICULUM AND TO DELIVER A
25 SIGNIFICANT PORTION OF INSTRUCTION TO ITS STUDENTS THROUGH THE
26 INTERNET OR OTHER ELECTRONIC MEANS. A CYBER CHARTER SCHOOL MUST
27 BE ORGANIZED AS A PUBLIC, NONPROFIT CORPORATION. A CHARTER MAY
28 NOT BE GRANTED TO A FOR-PROFIT ENTITY.

29 "DEPARTMENT" SHALL MEAN THE DEPARTMENT OF EDUCATION OF THE
30 COMMONWEALTH.

1 "EDUCATIONAL MANAGEMENT SERVICE PROVIDER" SHALL MEAN A FOR-
2 PROFIT EDUCATION MANAGEMENT ORGANIZATION, NONPROFIT CHARTER
3 MANAGEMENT ORGANIZATION, SCHOOL DESIGN PROVIDER, BUSINESS
4 MANAGER OR ANY OTHER PARTNER ENTITY WITH WHICH A BOARD OF
5 TRUSTEES OF A CHARTER SCHOOL ENTITY CONTRACTS TO PROVIDE
6 EDUCATIONAL DESIGN, BUSINESS SERVICES, COMPREHENSIVE MANAGEMENT
7 OR PERSONNEL FUNCTIONS OR TO IMPLEMENT THE CHARTER. THE TERM
8 SHALL NOT INCLUDE A CHARTER SCHOOL FOUNDATION.

9 "IMMEDIATE FAMILY MEMBER" SHALL MEAN A PARENT, SPOUSE, CHILD,
10 BROTHER OR SISTER.

11 "LOCAL BOARD OF SCHOOL DIRECTORS" SHALL MEAN THE BOARD OF
12 DIRECTORS [OF], A SCHOOL REFORM COMMISSION OR OTHER GOVERNING
13 AUTHORITY OF A SCHOOL DISTRICT OR A FINANCIAL RECOVERY SCHOOL
14 DISTRICT IN WHICH A PROPOSED OR AN APPROVED CHARTER SCHOOL IS
15 LOCATED.

16 "NONRELATED" SHALL MEAN AN INDIVIDUAL WHO IS NOT AN IMMEDIATE
17 FAMILY MEMBER.

18 "REGIONAL CHARTER SCHOOL" SHALL MEAN AN INDEPENDENT PUBLIC
19 SCHOOL ESTABLISHED AND OPERATED UNDER A CHARTER FROM MORE THAN
20 ONE LOCAL BOARD OF SCHOOL DIRECTORS AND IN WHICH STUDENTS ARE
21 ENROLLED OR ATTEND. A REGIONAL CHARTER SCHOOL MUST BE ORGANIZED
22 AS A PUBLIC, NONPROFIT CORPORATION. CHARTERS MAY NOT BE GRANTED
23 TO ANY FOR-PROFIT ENTITY.

24 "SCHOOL DISTRICT OF RESIDENCE" SHALL MEAN THE SCHOOL DISTRICT
25 IN THIS COMMONWEALTH IN WHICH [THE PARENTS OR GUARDIANS OF A
26 CHILD RESIDE] A CHILD RESIDES AS DETERMINED UNDER SECTION 1302
27 AND 22 PA. CODE § 11.11(A)(1) (RELATING TO ENTITLEMENT OF
28 RESIDENT CHILDREN TO ATTEND PUBLIC SCHOOLS).

29 "SCHOOL ENTITY" SHALL MEAN A SCHOOL DISTRICT, INTERMEDIATE
30 UNIT, JOINT SCHOOL OR AREA VOCATIONAL-TECHNICAL SCHOOL.

1 "SECRETARY" SHALL MEAN THE SECRETARY OF EDUCATION OF THE
2 COMMONWEALTH.

3 "STATE BOARD" SHALL MEAN THE STATE BOARD OF EDUCATION OF THE
4 COMMONWEALTH.

5 SECTION 5. SECTION 1715-A OF THE ACT, AMENDED OR ADDED JUNE
6 19, 1997 (P.L.225, NO.22) AND JULY 9, 2008 (P.L.846, NO.61), IS
7 AMENDED TO READ:

8 SECTION 1715-A. CHARTER SCHOOL ENTITY REQUIREMENTS.--(A)
9 CHARTER [SCHOOLS] SCHOOL ENTITIES SHALL BE REQUIRED TO COMPLY
10 WITH THE FOLLOWING PROVISIONS:

11 (1) EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE, A CHARTER
12 SCHOOL ENTITY IS EXEMPT FROM STATUTORY REQUIREMENTS ESTABLISHED
13 IN THIS ACT, FROM REGULATIONS OF THE STATE BOARD AND THE
14 STANDARDS OF THE SECRETARY NOT SPECIFICALLY APPLICABLE TO
15 CHARTER [SCHOOLS] SCHOOL ENTITIES. CHARTER [SCHOOLS] SCHOOL
16 ENTITIES ARE NOT EXEMPT FROM STATUTES APPLICABLE TO PUBLIC
17 SCHOOLS OTHER THAN THIS ACT.

18 (2) A CHARTER SCHOOL ENTITY SHALL BE ACCOUNTABLE TO THE
19 PARENTS, THE PUBLIC AND THE COMMONWEALTH, WITH THE DELINEATION
20 OF THAT ACCOUNTABILITY REFLECTED IN THE CHARTER. STRATEGIES FOR
21 MEANINGFUL PARENT AND COMMUNITY INVOLVEMENT SHALL BE DEVELOPED
22 AND IMPLEMENTED BY EACH SCHOOL.

23 (3) A CHARTER SCHOOL ENTITY SHALL NOT UNLAWFULLY
24 DISCRIMINATE IN ADMISSIONS, HIRING OR OPERATION.

25 (4) A CHARTER SCHOOL ENTITY SHALL BE NONSECTARIAN IN ALL
26 OPERATIONS.

27 (5) (I) [A] SUBJECT TO SUBPARAGRAPH (II), A CHARTER SCHOOL
28 ENTITY SHALL NOT PROVIDE ANY RELIGIOUS INSTRUCTION, NOR SHALL IT
29 DISPLAY RELIGIOUS OBJECTS AND SYMBOLS ON THE PREMISES OF THE
30 CHARTER SCHOOL[.] ENTITY.

1 (II) IT SHALL NOT BE A VIOLATION OF THIS PARAGRAPH FOR A
2 CHARTER SCHOOL ENTITY TO UTILIZE A SECTARIAN FACILITY:

3 (A) IF THE CHARTER SCHOOL ENTITY PROVIDES FOR DISCRETE AND
4 SEPARATE ENTRANCES TO BUILDINGS UTILIZED FOR SCHOOL PURPOSES
5 ONLY;

6 (B) IF THE RELIGIOUS OBJECTS AND SYMBOLS WITHIN THE PORTIONS
7 OF THE FACILITY UTILIZED BY THE SCHOOL ARE COVERED OR REMOVED TO
8 THE EXTENT REASONABLY FEASIBLE; OR

9 (C) IN WHICH THE UNUSED PORTION OF THE FACILITY OR ITS
10 COMMON AREAS CONTAIN RELIGIOUS SYMBOLS AND OBJECTS.

11 (6) A CHARTER SCHOOL ENTITY SHALL NOT ADVOCATE UNLAWFUL
12 BEHAVIOR.

13 (7) A CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL SHALL ONLY
14 BE SUBJECT TO THE LAWS AND REGULATIONS AS PROVIDED FOR IN
15 SECTION 1732-A, OR AS OTHERWISE PROVIDED FOR IN THIS [ARTICLE]
16 ACT.

17 (7.1) A CYBER CHARTER SCHOOL SHALL ONLY BE SUBJECT TO THE
18 LAWS AND REGULATIONS AS PROVIDED FOR IN SECTION 1749-A OR AS
19 OTHERWISE PROVIDED FOR IN THIS ACT.

20 (8) A CHARTER SCHOOL ENTITY SHALL PARTICIPATE IN [THE
21 PENNSYLVANIA STATE ASSESSMENT SYSTEM AS PROVIDED FOR IN 22 PA.
22 CODE CH. 5 (RELATING TO CURRICULUM), OR SUBSEQUENT REGULATIONS
23 PROMULGATED TO REPLACE 22 PA. CODE CH. 5,] ASSESSMENTS IN THE
24 MANNER IN WHICH THE SCHOOL DISTRICT IN WHICH THE CHARTER SCHOOL
25 ENTITY IS LOCATED IS SCHEDULED TO PARTICIPATE.

26 (9) A CHARTER SCHOOL ENTITY SHALL PROVIDE A MINIMUM OF ONE
27 HUNDRED EIGHTY (180) DAYS OF INSTRUCTION OR NINE HUNDRED (900)
28 HOURS PER YEAR OF INSTRUCTION AT THE ELEMENTARY LEVEL, OR NINE
29 HUNDRED NINETY (990) HOURS PER YEAR OF INSTRUCTION AT THE
30 SECONDARY LEVEL. NOTHING IN THIS CLAUSE SHALL PRECLUDE THE USE

1 OF COMPUTER AND SATELLITE LINKAGES FOR DELIVERING INSTRUCTION TO
2 STUDENTS.

3 (10) BOARDS OF TRUSTEES AND CONTRACTORS OF CHARTER [SCHOOLS]
4 SCHOOL ENTITIES SHALL BE SUBJECT TO THE FOLLOWING STATUTORY
5 REQUIREMENTS GOVERNING CONSTRUCTION PROJECTS AND CONSTRUCTION-
6 RELATED WORK:

7 (I) THE FOLLOWING PROVISIONS OF THIS ACT:

8 (A) SECTIONS 751 AND 751.1.

9 (B) SECTIONS 756 AND 757 INSOFAR AS THEY ARE CONSISTENT WITH
10 THE ACT OF DECEMBER 20, 1967 (P.L.869, NO.385), KNOWN AS THE
11 "PUBLIC WORKS CONTRACTORS' BOND LAW OF 1967."

12 (II) SECTION 1 OF THE ACT OF MAY 1, 1913 (P.L.155, NO.104),
13 ENTITLED "AN ACT REGULATING THE LETTING OF CERTAIN CONTRACTS FOR
14 THE ERECTION, CONSTRUCTION, AND ALTERATION OF PUBLIC BUILDINGS."

15 (III) THE ACT OF AUGUST 11, 1961 (P.L.987, NO.442), KNOWN AS
16 THE "PENNSYLVANIA PREVAILING WAGE ACT."

17 (IV) THE "PUBLIC WORKS CONTRACTORS' BOND LAW OF 1967."

18 (V) THE ACT OF MARCH 3, 1978 (P.L.6, NO.3), KNOWN AS THE
19 "STEEL PRODUCTS PROCUREMENT ACT."

20 (11) TRUSTEES OF A CHARTER SCHOOL ENTITY SHALL BE PUBLIC
21 OFFICIALS[.] FOR THE PURPOSES OF 65 PA.C.S. CH. 11 (RELATING TO
22 ETHICS STANDARDS AND FINANCIAL DISCLOSURE) AND SHALL FILE A
23 STATEMENT OF FINANCIAL INTERESTS FOR THE PRECEDING CALENDAR YEAR
24 WITH BOTH THE STATE ETHICS COMMISSION AND EITHER, IN THE CASE OF
25 A CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL, THE LOCAL BOARD OF
26 SCHOOL DIRECTORS OR, IN THE CASE OF A CYBER CHARTER SCHOOL, THE
27 DEPARTMENT, NOT LATER THAN MAY 1 OF EACH YEAR THAT MEMBERS HOLD
28 THE POSITION AND OF THE YEAR AFTER A MEMBER LEAVES THE POSITION.
29 ALL MEMBERS OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL ENTITY
30 SHALL TAKE THE OATH OF OFFICE AS REQUIRED UNDER SECTION 321

1 BEFORE ENTERING UPON THE DUTIES OF THEIR OFFICE.

2 [(12) A PERSON WHO SERVES AS AN ADMINISTRATOR FOR A CHARTER
3 SCHOOL SHALL NOT RECEIVE COMPENSATION FROM ANOTHER CHARTER
4 SCHOOL OR FROM A COMPANY THAT PROVIDES MANAGEMENT OR OTHER
5 SERVICES TO ANOTHER CHARTER SCHOOL. THE TERM "ADMINISTRATOR"
6 SHALL INCLUDE THE CHIEF EXECUTIVE OFFICER OF A CHARTER SCHOOL
7 AND ALL OTHER EMPLOYEES OF A CHARTER SCHOOL WHO BY VIRTUE OF
8 THEIR POSITIONS EXERCISE MANAGEMENT OR OPERATIONAL OVERSIGHT
9 RESPONSIBILITIES. A PERSON WHO SERVES AS AN ADMINISTRATOR FOR A
10 CHARTER SCHOOL SHALL BE A PUBLIC OFFICIAL UNDER 65 PA.C.S. CH.
11 11 (RELATING TO ETHICS STANDARDS AND FINANCIAL DISCLOSURE). A
12 VIOLATION OF THIS CLAUSE SHALL CONSTITUTE A VIOLATION OF 65
13 PA.C.S. § 1103(A) (RELATING TO RESTRICTED ACTIVITIES), AND THE
14 VIOLATOR SHALL BE SUBJECT TO THE PENALTIES IMPOSED UNDER THE
15 JURISDICTION OF THE STATE ETHICS COMMISSION.]

16 (B) AN INDIVIDUAL WHO SERVES AS AN ADMINISTRATOR FOR A
17 CHARTER SCHOOL ENTITY SHALL BE A PUBLIC EMPLOYE FOR THE PURPOSES
18 OF 65 PA.C.S. CH. 11 AND SHALL FILE A STATEMENT OF FINANCIAL
19 INTERESTS FOR THE PRECEDING CALENDAR YEAR WITH THE BOARD OF
20 TRUSTEES NOT LATER THAN MAY 1 OF EACH YEAR THAT THE PERSON HOLDS
21 THE POSITION AND OF THE YEAR AFTER THE PERSON LEAVES THE
22 POSITION.

23 (C) (1) NO INDIVIDUAL WHO SERVES AS AN ADMINISTRATOR FOR A
24 CHARTER SCHOOL ENTITY MAY RECEIVE COMPENSATION FROM ANOTHER
25 CHARTER SCHOOL ENTITY OR FROM AN EDUCATIONAL MANAGEMENT SERVICE
26 PROVIDER, UNLESS:

27 (I) THE ADMINISTRATOR HAS SUBMITTED A SWORN STATEMENT TO THE
28 BOARD OF TRUSTEES OF THE CHARTER SCHOOL ENTITY AND THE SWORN
29 STATEMENT DETAILS THE WORK FOR THE OTHER ENTITY AND INCLUDES THE
30 PROJECTED NUMBER OF HOURS, RATE OF COMPENSATION AND PROJECTED

1 DURATION.

2 (II) THE BOARD OF TRUSTEES OF THE CHARTER SCHOOL ENTITY HAS
3 REVIEWED THE SWORN STATEMENT UNDER SUBCLAUSE (I) AND AGREED, BY
4 RESOLUTION, TO GRANT PERMISSION TO THE ADMINISTRATOR.

5 (2) A COPY OF THE SWORN STATEMENT UNDER CLAUSE (1)(I) AND
6 THE RESOLUTION BY THE BOARD OF TRUSTEES OF THE CHARTER SCHOOL
7 ENTITY GRANTING THE PERMISSION UNDER CLAUSE (1)(II) SHALL BE
8 PROVIDED TO AND KEPT ON FILE WITH THE CHARTER SCHOOL ENTITY AND
9 THE BOARD OF LOCAL SCHOOL DIRECTORS OR, IN THE CASE OF A CYBER
10 CHARTER SCHOOL, THE DEPARTMENT.

11 (3) NO ADMINISTRATOR OF A CHARTER SCHOOL ENTITY OR IMMEDIATE
12 FAMILY MEMBER MAY SERVE AS A VOTING MEMBER OF THE BOARD OF
13 TRUSTEES OF THE CHARTER SCHOOL ENTITY THAT EMPLOYS THE
14 ADMINISTRATOR.

15 (4) (I) NO ADMINISTRATOR OF A CHARTER SCHOOL ENTITY MAY
16 PARTICIPATE IN THE SELECTION, AWARD OR ADMINISTRATION OF A
17 CONTRACT IF THE PERSON HAS A CONFLICT OF INTEREST AS THAT TERM
18 IS DEFINED IN 65 PA.C.S. § 1102 (RELATING TO DEFINITIONS).

19 (II) AN ADMINISTRATOR WHO KNOWINGLY VIOLATES THIS CLAUSE
20 COMMITTS A VIOLATION OF 65 PA.C.S. § 1103(A) (RELATING TO
21 RESTRICTED ACTIVITIES) AND SHALL BE SUBJECT TO THE PENALTIES
22 IMPOSED UNDER THE JURISDICTION OF THE STATE ETHICS COMMISSION.

23 (III) ANY CONTRACT MADE IN VIOLATION OF THIS CLAUSE SHALL BE
24 VOIDABLE BY THE BOARD OF TRUSTEES OF THE CHARTER SCHOOL ENTITY.

25 (5) AN ADMINISTRATOR SHALL BE IMMEDIATELY DISMISSED UPON
26 CONVICTION FOR AN OFFENSE GRADED AS A FELONY, AN INFAMOUS CRIME,
27 AN OFFENSE PERTAINING TO FRAUD, THEFT OR MISMANAGEMENT OF PUBLIC
28 FUNDS OR ANY CRIME INVOLVING MORAL TURPITUDE.

29 SECTION 6. SECTION 1716-A(C) OF THE ACT, ADDED JUNE 19, 1997
30 (P.L.225, NO.22), IS AMENDED AND THE SECTION IS AMENDED BY

1 ADDING SUBSECTIONS TO READ:

2 SECTION 1716-A. POWERS OF BOARD OF TRUSTEES.--* * *

3 (B.1) (1) FOR A CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL
4 CHARTERED AFTER THE EFFECTIVE DATE OF THIS SUBSECTION, AN
5 INDIVIDUAL SHALL BE PROHIBITED FROM SERVING AS A VOTING MEMBER
6 OF THE BOARD OF TRUSTEES OF THE CHARTER SCHOOL OR REGIONAL
7 CHARTER SCHOOL IF THE INDIVIDUAL OR AN IMMEDIATE FAMILY MEMBER
8 RECEIVES COMPENSATION FROM OR IS EMPLOYED BY OR IS A MEMBER OF
9 THE LOCAL BOARD OF SCHOOL DIRECTORS WHO PARTICIPATED IN THE
10 INITIAL REVIEW, APPROVAL, OVERSIGHT, EVALUATION OR RENEWAL
11 PROCESS OF THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL
12 CHARTERED BY THAT BOARD.

13 (2) AN EMPLOYEE OF THE SCHOOL DISTRICT THAT CHARTERED THE
14 CHARTER SCHOOL OR THE REGIONAL CHARTER SCHOOL MAY SERVE AS A
15 MEMBER OF THE BOARD OF TRUSTEES OF THE CHARTER SCHOOL OR
16 REGIONAL CHARTER SCHOOL WITHOUT VOTING PRIVILEGES.

17 (B.2) (1) NO MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER
18 SCHOOL ENTITY MAY PARTICIPATE IN THE SELECTION, AWARD OR
19 ADMINISTRATION OF ANY CONTRACT IF THE MEMBER HAS A CONFLICT OF
20 INTEREST AS THAT TERM IS DEFINED IN 65 PA.C.S. § 1102 (RELATING
21 TO DEFINITIONS).

22 (2) ANY MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
23 ENTITY WHO IN THE DISCHARGE OF THE PERSON'S OFFICIAL DUTIES
24 WOULD BE REQUIRED TO VOTE ON A MATTER THAT WOULD RESULT IN A
25 CONFLICT OF INTEREST SHALL ABSTAIN FROM VOTING AND FOLLOW THE
26 PROCEDURES REQUIRED UNDER 65 PA.C.S. § 1103(J) (RELATING TO
27 RESTRICTED ACTIVITIES).

28 (3) A MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
29 ENTITY WHO KNOWINGLY VIOLATES THIS SUBSECTION COMMITS A
30 VIOLATION OF 65 PA.C.S. § 1103(A) AND SHALL BE SUBJECT TO THE

1 PENALTIES IMPOSED UNDER THE JURISDICTION OF THE STATE ETHICS
2 COMMISSION.

3 (4) A CONTRACT MADE IN VIOLATION OF THIS SUBSECTION SHALL BE
4 VOIDABLE BY A COURT OF COMPETENT JURISDICTION, IF THE SUIT IS
5 COMMENCED WITHIN NINETY (90) DAYS OF THE MAKING OF THE CONTRACT.

6 (5) NO MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
7 ENTITY SHALL BE COMPENSATED FOR DUTIES ON THE BOARD OF TRUSTEES.

8 (B.3) A MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
9 ENTITY SHALL BE AUTOMATICALLY DISQUALIFIED AND IMMEDIATELY
10 REMOVED FROM THE BOARD UPON CONVICTION FOR AN OFFENSE GRADED AS
11 A FELONY, AN INFAMOUS CRIME, AN OFFENSE PERTAINING TO FRAUD,
12 THEFT OR MISMANAGEMENT OF PUBLIC FUNDS, ANY OFFENSE PERTAINING
13 TO HIS OFFICIAL CAPACITY AS A BOARD MEMBER OR ANY CRIME
14 INVOLVING MORAL TURPITUDE.

15 (C) THE BOARD OF TRUSTEES SHALL COMPLY WITH [THE ACT OF JULY
16 3, 1986 (P.L.388, NO.84), KNOWN AS THE "SUNSHINE ACT."] 65
17 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).

18 (D) (1) (I) THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
19 ENTITY SHALL CONSIST OF A MINIMUM OF FIVE (5) NONRELATED VOTING
20 MEMBERS.

21 (II) IF A CHARTER SCHOOL ENTITY HAS FEWER THAN FIVE (5)
22 NONRELATED VOTING MEMBERS SERVING ON ITS BOARD ON THE EFFECTIVE
23 DATE OF THIS SUBSECTION, THE CHARTER SCHOOL ENTITY SHALL, WITHIN
24 SIXTY (60) DAYS, APPOINT ADDITIONAL MEMBERS TO THE BOARD TO MEET
25 THE MINIMUM REQUIREMENTS OF THIS SECTION.

26 (2) WITHIN ONE (1) YEAR OF THE EFFECTIVE DATE OF THIS
27 SUBSECTION, AT LEAST ONE (1) MEMBER OF THE BOARD OF TRUSTEES OF
28 A CHARTER SCHOOL ENTITY SHALL BE A PARENT OF A CHILD CURRENTLY
29 ATTENDING THE CHARTER SCHOOL ENTITY. THE BOARD MEMBER SHALL BE
30 ELIGIBLE TO SERVE ONLY SO LONG AS THE CHILD ATTENDS THE CHARTER

1 SCHOOL ENTITY.

2 (E) (1) A MAJORITY OF THE VOTING MEMBERS OF THE BOARD OF
3 TRUSTEES SHALL CONSTITUTE A QUORUM. IF LESS THAN A MAJORITY IS
4 PRESENT AT ANY MEETING, NO BUSINESS MAY BE TRANSACTED AT THE
5 MEETING.

6 (2) THE AFFIRMATIVE VOTE OF A MAJORITY OF ALL THE VOTING
7 MEMBERS OF THE BOARD OF TRUSTEES, DULY RECORDED, SHALL BE
8 REQUIRED IN ORDER TO TAKE ACTION ON THE SUBJECTS ENUMERATED
9 UNDER SUBSECTION (A).

10 SECTION 7. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:

11 SECTION 1716.1-A. (RESERVED).

12 SECTION 1716.2-A. FUND BALANCE LIMITS.--FUND BALANCE LIMITS
13 SHALL BE AS FOLLOWS:

14 (1) FOR THE 2013-2014 SCHOOL YEAR AND EACH SCHOOL YEAR
15 THEREAFTER, A CHARTER SCHOOL ENTITY SHALL NOT ACCUMULATE AN
16 UNASSIGNED FUND BALANCE GREATER THAN THE CHARTER SCHOOL ENTITY
17 UNASSIGNED FUND BALANCE LIMIT, WHICH WILL BE DETERMINED AS
18 FOLLOWS:

	<u>MAXIMUM UNASSIGNED FUND</u>
	<u>BALANCE AS PERCENTAGE OF</u>
<u>CHARTER SCHOOL ENTITY</u>	<u>TOTAL BUDGETED</u>
<u>TOTAL BUDGETED EXPENDITURES</u>	<u>EXPENDITURES</u>
<u>LESS THAN OR EQUAL TO \$11,999,999</u>	<u>12%</u>
<u>BETWEEN \$12,000,000 AND \$12,999,999</u>	<u>11.5%</u>
<u>BETWEEN \$13,000,000 AND \$13,999,999</u>	<u>11%</u>
<u>BETWEEN \$14,000,000 AND \$14,999,999</u>	<u>10.5%</u>
<u>BETWEEN \$15,000,000 AND \$15,999,999</u>	<u>10%</u>
<u>BETWEEN \$16,000,000 AND \$16,999,999</u>	<u>9.5%</u>
<u>BETWEEN \$17,000,000 AND \$17,999,999</u>	<u>9%</u>
<u>BETWEEN \$18,000,000 AND \$18,999,999</u>	<u>8.5%</u>

1 GREATER THAN OR EQUAL TO \$19,000,000

8%

2 (2) ANY UNASSIGNED FUND BALANCE IN PLACE ON JUNE 30, 2015,
3 THAT EXCEEDS THE CHARTER SCHOOL ENTITY UNASSIGNED FUND BALANCE
4 LIMIT SHALL BE REFUNDED ON A PRO RATA BASIS WITHIN NINETY (90)
5 DAYS TO ALL SCHOOL DISTRICTS THAT PAID TUITION TO THE CHARTER
6 SCHOOL ENTITY ON BEHALF OF STUDENTS ENROLLED IN THE 2013-2014
7 AND 2014-2015 SCHOOL YEARS.

8 (3) FOR THE 2015-2016 SCHOOL YEAR AND EACH SCHOOL YEAR
9 THEREAFTER, ANY UNASSIGNED FUND BALANCE IN PLACE ON JUNE 30 OF
10 THAT SCHOOL YEAR IN EXCESS OF THE CHARTER SCHOOL ENTITY
11 UNASSIGNED FUND BALANCE LIMIT SHALL BE REFUNDED ON A PRO RATA
12 BASIS WITHIN NINETY (90) DAYS TO ALL SCHOOL DISTRICTS THAT PAID
13 TUITION TO THE CHARTER SCHOOL ENTITY IN THE PRIOR SCHOOL YEAR.

14 (4) BY SEPTEMBER 30, 2015, AND AUGUST 15 OF EACH YEAR
15 THEREAFTER, EACH CHARTER SCHOOL ENTITY SHALL PROVIDE THE
16 DEPARTMENT AND ALL SCHOOL DISTRICTS THAT PAID TUITION TO THE
17 CHARTER SCHOOL ENTITY IN THE PRIOR SCHOOL YEAR WITH INFORMATION
18 CERTIFYING COMPLIANCE WITH THIS SECTION. THE INFORMATION SHALL
19 BE PROVIDED IN A FORM AND MANNER PRESCRIBED BY THE DEPARTMENT
20 AND SHALL INCLUDE INFORMATION ON THE CHARTER SCHOOL ENTITY'S
21 ESTIMATED ENDING UNASSIGNED FUND BALANCE EXPRESSED AS A DOLLAR
22 AMOUNT AND AS A PERCENTAGE OF THE CHARTER SCHOOL ENTITY'S TOTAL
23 BUDGETED EXPENDITURES FOR THAT SCHOOL YEAR.

24 (5) UNASSIGNED FUNDS OF THE CHARTER SCHOOL ENTITY IN EXCESS
25 OF THE UNASSIGNED FUND BALANCE LIMIT MAY NOT BE USED TO PAY
26 BONUSES TO ANY ADMINISTRATOR, BOARD OF TRUSTEES MEMBER, EMPLOYE,
27 STAFF MEMBER OR CONTRACTOR AND MAY NOT BE TRANSFERRED TO A
28 CHARTER SCHOOL FOUNDATION. IF A CHARTER SCHOOL ENTITY USES FUNDS
29 IN EXCESS OF THE UNASSIGNED FUND BALANCE LIMIT TO PAY BONUSES TO
30 ANY ADMINISTRATOR, BOARD OF TRUSTEES MEMBER, EMPLOYE, STAFF

1 MEMBER OR CONTRACTOR OR TRANSFERS SUCH FUNDS TO A CHARTER SCHOOL
2 FOUNDATION, THE VALUE OF THE BONUS PAYMENT OR FUND TRANSFER
3 SHALL BE REFUNDED BY THE CHARTER SCHOOL ENTITY ON A PRO RATA
4 BASIS TO ALL SCHOOL DISTRICTS THAT PAID TUITION TO THE CHARTER
5 SCHOOL ENTITY ON BEHALF OF STUDENTS ENROLLED IN THE CHARTER
6 SCHOOL ENTITY IN THE IMMEDIATELY PRECEDING SCHOOL YEAR.

7 (6) AS USED IN THIS SECTION, "UNASSIGNED FUND BALANCE" SHALL
8 MEAN THAT PORTION OF THE FUND BALANCE OF A CHARTER SCHOOL ENTITY
9 THAT PROVIDES FUNDING OR RESOURCES OR OTHERWISE SERVES TO
10 SUPPORT THE CHARTER SCHOOL ENTITY THAT IS:

11 (I) AVAILABLE FOR EXPENDITURE OR NOT LEGALLY OR OTHERWISE
12 SEGREGATED FOR A SPECIFIC OR TENTATIVE FUTURE USE; AND

13 (II) HELD IN THE GENERAL FUND ACCOUNTS OF THE CHARTER SCHOOL
14 ENTITY.

15 SECTION 7.1. SECTION 1717-A(C), (D), (E), (F) AND (I) OF THE
16 ACT, ADDED JUNE 19, 1997 (P.L.225, NO.22), ARE AMENDED AND THE
17 SECTION IS AMENDED BY ADDING SUBSECTIONS TO READ:

18 SECTION 1717-A. ESTABLISHMENT OF CHARTER SCHOOL.--* * *

19 (C) AN APPLICATION TO ESTABLISH A CHARTER SCHOOL SHALL BE
20 SUBMITTED TO THE LOCAL BOARD OF SCHOOL DIRECTORS OF THE DISTRICT
21 WHERE THE CHARTER SCHOOL WILL BE LOCATED BY [NOVEMBER 15]
22 OCTOBER 1 OF THE SCHOOL YEAR PRECEDING THE SCHOOL YEAR IN WHICH
23 THE CHARTER SCHOOL WILL BE ESTABLISHED EXCEPT THAT FOR A CHARTER
24 SCHOOL BEGINNING IN THE 1997-1998 SCHOOL YEAR, AN APPLICATION
25 MUST BE RECEIVED BY JULY 15, 1997. IN THE 1997-1998 SCHOOL YEAR
26 ONLY, APPLICATIONS SHALL BE LIMITED TO RECIPIENTS OF FISCAL YEAR
27 1996-1997 DEPARTMENT OF EDUCATION CHARTER SCHOOL PLANNING
28 GRANTS.

29 (D) WITHIN FORTY-FIVE (45) DAYS OF RECEIPT OF AN
30 APPLICATION, THE LOCAL BOARD OF SCHOOL DIRECTORS IN WHICH THE

1 PROPOSED CHARTER SCHOOL IS TO BE LOCATED SHALL HOLD AT LEAST ONE
2 PUBLIC HEARING ON THE PROVISIONS OF THE CHARTER APPLICATION,
3 UNDER [THE ACT OF JULY 3, 1986 (P.L.388, NO.84), KNOWN AS THE
4 "SUNSHINE ACT."] 65 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).
5 AT LEAST FORTY-FIVE (45) DAYS MUST TRANSPIRE BETWEEN THE FIRST
6 PUBLIC HEARING AND THE FINAL DECISION OF THE BOARD ON THE
7 CHARTER APPLICATION EXCEPT THAT FOR A CHARTER SCHOOL BEGINNING
8 IN THE 1997-1998 SCHOOL YEAR, ONLY THIRTY (30) DAYS MUST
9 TRANSPIRE BETWEEN THE FIRST PUBLIC HEARING AND THE FINAL
10 DECISION OF THE BOARD.

11 (E) (1) NOT LATER THAN SEVENTY-FIVE (75) DAYS AFTER THE
12 FIRST PUBLIC HEARING ON THE APPLICATION, THE LOCAL BOARD OF
13 SCHOOL DIRECTORS SHALL GRANT OR DENY THE APPLICATION. FOR A
14 CHARTER SCHOOL BEGINNING IN THE 1997-1998 SCHOOL YEAR, THE LOCAL
15 BOARD OF SCHOOL DIRECTORS SHALL GRANT OR DENY THE APPLICATION NO
16 LATER THAN SIXTY (60) DAYS AFTER THE FIRST PUBLIC HEARING.

17 (2) A CHARTER SCHOOL APPLICATION SUBMITTED UNDER THIS
18 ARTICLE SHALL BE EVALUATED BY THE LOCAL BOARD OF SCHOOL
19 DIRECTORS BASED ON CRITERIA, INCLUDING, BUT NOT LIMITED TO, THE
20 FOLLOWING:

21 (I) THE DEMONSTRATED, SUSTAINABLE SUPPORT FOR THE CHARTER
22 SCHOOL PLAN BY TEACHERS, PARENTS, OTHER COMMUNITY MEMBERS AND
23 STUDENTS, INCLUDING COMMENTS RECEIVED AT THE PUBLIC HEARING HELD
24 UNDER SUBSECTION (D).

25 (II) THE CAPABILITY OF THE CHARTER SCHOOL APPLICANT, IN
26 TERMS OF SUPPORT AND PLANNING, TO PROVIDE COMPREHENSIVE LEARNING
27 EXPERIENCES TO STUDENTS PURSUANT TO THE ADOPTED CHARTER.

28 (III) THE EXTENT TO WHICH THE APPLICATION CONSIDERS THE
29 INFORMATION REQUESTED IN SECTION 1719-A AND CONFORMS TO THE
30 LEGISLATIVE INTENT OUTLINED IN SECTION 1702-A.

1 (IV) THE EXTENT TO WHICH THE CHARTER SCHOOL MAY SERVE AS A
2 MODEL FOR OTHER PUBLIC SCHOOLS.

3 (3) THE LOCAL BOARD OF SCHOOL DIRECTORS, IN THE CASE OF AN
4 EXISTING SCHOOL BEING CONVERTED TO A CHARTER SCHOOL, SHALL
5 ESTABLISH THE ALTERNATIVE ARRANGEMENTS FOR CURRENT STUDENTS WHO
6 CHOOSE NOT TO ATTEND THE CHARTER SCHOOL.

7 (4) A CHARTER APPLICATION SHALL BE DEEMED APPROVED BY THE
8 LOCAL BOARD OF SCHOOL DIRECTORS OF A SCHOOL DISTRICT UPON
9 AFFIRMATIVE VOTE BY A MAJORITY OF ALL THE DIRECTORS. FORMAL
10 ACTION APPROVING OR DENYING THE APPLICATION SHALL BE TAKEN BY
11 THE LOCAL BOARD OF SCHOOL DIRECTORS AT A PUBLIC MEETING, WITH
12 NOTICE OR CONSIDERATION OF THE APPLICATION GIVEN BY THE BOARD,
13 UNDER [THE "SUNSHINE ACT."] 65 PA.C.S. CH. 7.

14 (5) WRITTEN NOTICE OF THE BOARD'S ACTION SHALL BE SENT TO
15 THE APPLICANT, THE DEPARTMENT AND THE APPEAL BOARD. IF THE
16 APPLICATION IS DENIED, THE REASONS FOR THE DENIAL, INCLUDING A
17 DESCRIPTION OF DEFICIENCIES IN THE APPLICATION, SHALL BE CLEARLY
18 STATED IN THE NOTICE SENT BY THE LOCAL BOARD OF SCHOOL DIRECTORS
19 TO THE CHARTER SCHOOL APPLICANT.

20 (F) AT THE OPTION OF THE CHARTER SCHOOL APPLICANT, A DENIED
21 APPLICATION MAY BE REVISED AND RESUBMITTED TO THE LOCAL BOARD OF
22 SCHOOL DIRECTORS. FOLLOWING THE APPOINTMENT AND CONFIRMATION OF
23 THE CHARTER SCHOOL APPEAL BOARD UNDER SECTION 1721-A, THE
24 DECISION OF THE LOCAL BOARD OF SCHOOL DIRECTORS MAY BE APPEALED
25 TO THE APPEAL BOARD. WHEN AN APPLICATION IS REVISED AND
26 RESUBMITTED TO THE LOCAL BOARD OF SCHOOL DIRECTORS, THE BOARD
27 MAY SCHEDULE ADDITIONAL PUBLIC HEARINGS ON THE REVISED
28 APPLICATION. THE BOARD SHALL CONSIDER THE REVISED AND
29 RESUBMITTED APPLICATION AT THE FIRST BOARD MEETING OCCURRING AT
30 LEAST FORTY-FIVE (45) DAYS AFTER RECEIPT OF THE REVISED

1 APPLICATION BY THE BOARD. FOR A REVISED APPLICATION RESUBMITTED
2 FOR THE 1997-1998 SCHOOL YEAR, THE BOARD SHALL CONSIDER THE
3 APPLICATION AT THE FIRST BOARD MEETING OCCURRING AT LEAST THIRTY
4 (30) DAYS AFTER ITS RECEIPT. THE BOARD SHALL PROVIDE NOTICE OF
5 CONSIDERATION OF THE REVISED APPLICATION UNDER [THE "SUNSHINE
6 ACT."] 65 PA.C.S. CH. 7. NO APPEAL FROM A DECISION OF A LOCAL
7 SCHOOL BOARD MAY BE TAKEN UNTIL JULY 1, 1999.

8 * * *

9 (I) (1) THE APPEAL BOARD SHALL HAVE THE EXCLUSIVE REVIEW OF
10 AN APPEAL BY A CHARTER SCHOOL APPLICANT, OR BY THE BOARD OF
11 TRUSTEES OF AN EXISTING CHARTER SCHOOL, OF A DECISION MADE BY A
12 LOCAL BOARD OF DIRECTORS NOT TO GRANT A CHARTER AS PROVIDED IN
13 THIS SECTION.

14 [(2) IN ORDER FOR A CHARTER SCHOOL APPLICANT TO BE ELIGIBLE
15 TO APPEAL THE DENIAL OF A CHARTER BY THE LOCAL BOARD OF
16 DIRECTORS, THE APPLICANT MUST OBTAIN THE SIGNATURES OF AT LEAST
17 TWO PER CENTUM OF THE RESIDENTS OF THE SCHOOL DISTRICT OR OF ONE
18 THOUSAND (1,000) RESIDENTS, WHICHEVER IS LESS, WHO ARE OVER
19 EIGHTEEN (18) YEARS OF AGE. FOR A REGIONAL CHARTER SCHOOL, THE
20 APPLICANT MUST OBTAIN THE SIGNATURES OF AT LEAST TWO PER CENTUM
21 OF THE RESIDENTS OF EACH SCHOOL DISTRICT GRANTING THE CHARTER OR
22 OF ONE THOUSAND (1,000) RESIDENTS FROM EACH OF THE SCHOOL
23 DISTRICTS GRANTING THE CHARTER, WHICHEVER IS LESS, WHO ARE OVER
24 EIGHTEEN (18) YEARS OF AGE. THE SIGNATURES SHALL BE OBTAINED
25 WITHIN SIXTY (60) DAYS OF THE DENIAL OF THE APPLICATION BY THE
26 LOCAL BOARD OF DIRECTORS IN ACCORDANCE WITH CLAUSE (3).

27 (3) EACH PERSON SIGNING A PETITION TO APPEAL DENIAL OF A
28 CHARTER UNDER CLAUSE (2) SHALL DECLARE THAT HE OR SHE IS A
29 RESIDENT OF THE SCHOOL DISTRICT WHICH DENIED THE CHARTER
30 APPLICATION AND SHALL INCLUDE HIS OR HER PRINTED NAME;

1 SIGNATURE; ADDRESS, INCLUDING CITY, BOROUGH OR TOWNSHIP, WITH
2 STREET AND NUMBER, IF ANY; AND THE DATE OF SIGNING. ALL PAGES
3 SHALL BE BOUND TOGETHER. ADDITIONAL PAGES OF THE PETITION SHALL
4 BE NUMBERED CONSECUTIVELY. THERE SHALL BE APPENDED TO THE
5 PETITION A STATEMENT THAT THE LOCAL BOARD OF DIRECTORS REJECTED
6 THE PETITION FOR A CHARTER SCHOOL, THE NAMES OF ALL APPLICANTS
7 FOR THE CHARTER, THE DATE OF DENIAL BY THE BOARD AND THE
8 PROPOSED LOCATION OF THE CHARTER SCHOOL. NO RESIDENT MAY SIGN
9 MORE THAN ONE PETITION RELATING TO THE CHARTER SCHOOL
10 APPLICATION WITHIN THE SIXTY (60) DAYS FOLLOWING DENIAL OF THE
11 APPLICATION. THE DEPARTMENT SHALL DEVELOP A FORM TO BE USED TO
12 PETITION FOR AN APPEAL.

13 (4) EACH PETITION SHALL HAVE APPENDED THERETO THE AFFIDAVIT
14 OF SOME PERSON, NOT NECESSARILY A SIGNER, SETTING FORTH ALL OF
15 THE FOLLOWING:

16 (I) THAT THE AFFIANT IS A RESIDENT OF THE SCHOOL DISTRICT
17 REFERRED TO IN THE PETITION.

18 (II) THE AFFIANT'S RESIDENCE, GIVING CITY, BOROUGH OR
19 TOWNSHIP, WITH STREET AND NUMBER, IF ANY.

20 (III) THAT THE SIGNERS SIGNED WITH FULL KNOWLEDGE OF THE
21 PURPOSE OF THE PETITION.

22 (IV) THAT THE SIGNERS' RESPECTIVE RESIDENCES ARE CORRECTLY
23 STATED IN THE PETITION.

24 (V) THAT THE SIGNERS ALL RESIDE IN THE SCHOOL DISTRICT.

25 (VI) THAT EACH SIGNER SIGNED ON THE DATE SET FORTH OPPOSITE
26 THE SIGNER'S NAME.

27 (VII) THAT TO THE BEST OF THE AFFIANT'S KNOWLEDGE AND
28 BELIEF, THE SIGNERS ARE RESIDENTS OF THE SCHOOL DISTRICT.

29 (5) IF THE REQUIRED NUMBER OF SIGNATURES ARE OBTAINED WITHIN
30 SIXTY (60) DAYS OF THE DENIAL OF THE APPLICATION, THE APPLICANT

1 MAY PRESENT THE PETITION TO THE COURT OF COMMON PLEAS OF THE
2 COUNTY IN WHICH THE CHARTER SCHOOL WOULD BE SITUATED. THE COURT
3 SHALL HOLD A HEARING ONLY ON THE SUFFICIENCY OF THE PETITION.
4 THE APPLICANT AND LOCAL BOARD OF SCHOOL DIRECTORS SHALL BE GIVEN
5 SEVEN (7) DAYS' NOTICE OF THE HEARING. THE COURT SHALL ISSUE A
6 DECREE ESTABLISHING THE SUFFICIENCY OR INSUFFICIENCY OF THE
7 PETITION. IF THE PETITION IS SUFFICIENT, THE DECREE SHALL BE
8 TRANSMITTED TO THE STATE CHARTER SCHOOL APPEAL BOARD FOR REVIEW
9 IN ACCORDANCE WITH THIS SECTION. NOTIFICATION OF THE DECREE
10 SHALL BE GIVEN TO THE APPLICANT AND THE LOCAL BOARD OF
11 DIRECTORS.]

12 (6) IN ANY APPEAL, THE DECISION MADE BY THE LOCAL BOARD OF
13 DIRECTORS SHALL BE REVIEWED BY THE APPEAL BOARD ON THE RECORD AS
14 CERTIFIED BY THE LOCAL BOARD OF DIRECTORS. THE APPEAL BOARD
15 SHALL GIVE DUE CONSIDERATION TO THE FINDINGS OF THE LOCAL BOARD
16 OF DIRECTORS AND SPECIFICALLY ARTICULATE ITS REASONS FOR
17 AGREEING OR DISAGREEING WITH THOSE FINDINGS IN ITS WRITTEN
18 DECISION. THE APPEAL BOARD SHALL HAVE THE DISCRETION TO ALLOW
19 THE LOCAL BOARD OF DIRECTORS AND THE CHARTER SCHOOL APPLICANT TO
20 SUPPLEMENT THE RECORD IF THE SUPPLEMENTAL INFORMATION WAS
21 PREVIOUSLY UNAVAILABLE.

22 (7) NOT LATER THAN THIRTY (30) DAYS AFTER THE DATE OF NOTICE
23 OF THE ACCEPTANCE OF THE APPEAL, THE APPEAL BOARD SHALL MEET TO
24 OFFICIALLY REVIEW THE CERTIFIED RECORD.

25 (8) NOT LATER THAN SIXTY (60) DAYS FOLLOWING THE REVIEW
26 CONDUCTED PURSUANT TO CLAUSE (6), THE APPEAL BOARD SHALL ISSUE A
27 WRITTEN DECISION AFFIRMING OR DENYING THE APPEAL. IF THE APPEAL
28 BOARD HAS AFFIRMED THE DECISION OF THE LOCAL BOARD OF DIRECTORS,
29 NOTICE SHALL BE PROVIDED TO BOTH PARTIES.

30 (9) A DECISION OF THE APPEAL BOARD TO REVERSE THE DECISION

1 OF THE LOCAL BOARD OF DIRECTORS SHALL SERVE AS A REQUIREMENT FOR
2 THE LOCAL BOARD OF DIRECTORS OF A SCHOOL DISTRICT OR SCHOOL
3 DISTRICTS, AS APPROPRIATE, TO GRANT THE APPLICATION AND SIGN THE
4 WRITTEN CHARTER OF THE CHARTER SCHOOL AS PROVIDED FOR IN SECTION
5 1720-A. SHOULD THE LOCAL BOARD OF DIRECTORS FAIL TO GRANT THE
6 APPLICATION AND SIGN THE CHARTER WITHIN TEN (10) DAYS OF NOTICE
7 OF THE REVERSAL OF THE DECISION OF THE LOCAL BOARD OF DIRECTORS,
8 THE CHARTER SHALL BE DEEMED TO BE APPROVED AND SHALL BE SIGNED
9 BY THE CHAIRMAN OF THE APPEAL BOARD.

10 (10) ALL DECISIONS OF THE APPEAL BOARD SHALL BE SUBJECT TO
11 APPELLATE REVIEW BY THE COMMONWEALTH COURT.

12 (J) NOTWITHSTANDING THE PROVISIONS OF SECTION 696(I) OR ANY
13 OTHER PROVISION OF LAW TO THE CONTRARY, A SCHOOL REFORM
14 COMMISSION CONSIDERING AN APPLICATION TO ESTABLISH A CHARTER
15 SCHOOL IN A SCHOOL DISTRICT OF THE FIRST CLASS SHALL COMPLY WITH
16 SUBSECTION (E) (5).

17 (K) NOTWITHSTANDING THE PROVISIONS OF SECTION 696(I) OR ANY
18 OTHER PROVISION OF LAW TO THE CONTRARY, A CHARTER SCHOOL
19 APPLICANT MAY APPEAL A DECISION OF A SCHOOL REFORM COMMISSION TO
20 DENY AN APPLICATION TO ESTABLISH A CHARTER SCHOOL IN A SCHOOL
21 DISTRICT OF THE FIRST CLASS TO THE APPEAL BOARD. SUBSECTIONS
22 (G), (H) AND (I) SHALL APPLY TO AN APPEAL UNDER THIS SUBSECTION.

23 SECTION 7.2. SECTION 1719-A OF THE ACT, ADDED JUNE 19, 1997
24 (P.L.225, NO.22), IS AMENDED TO READ:

25 SECTION 1719-A. CONTENTS OF APPLICATION.--[AN] (A) THE
26 DEPARTMENT SHALL CREATE A STANDARD APPLICATION FORM FOR CHARTER
27 SCHOOL APPLICANTS SEEKING TO ESTABLISH A CHARTER SCHOOL ENTITY
28 AND FOR EXISTING CHARTER SCHOOL ENTITIES SEEKING RENEWAL OF
29 THEIR CHARTERS. THE FORM SHALL BE PUBLISHED IN THE PENNSYLVANIA
30 BULLETIN AND POSTED ON THE DEPARTMENT'S PUBLICLY ACCESSIBLE

1 INTERNET WEBSITE. THE FORM SHALL INCLUDE ALL OF THE FOLLOWING
2 INFORMATION:

3 (1) THE IDENTIFICATION OF THE CHARTER SCHOOL APPLICANT.

4 (2) THE NAME OF THE PROPOSED CHARTER SCHOOL ENTITY.

5 (3) THE GRADE OR AGE LEVELS SERVED BY THE SCHOOL.

6 (4) [THE PROPOSED GOVERNANCE STRUCTURE OF THE CHARTER
7 SCHOOL, INCLUDING A DESCRIPTION AND METHOD FOR THE APPOINTMENT
8 OR ELECTION OF MEMBERS OF THE BOARD OF TRUSTEES.] AN
9 ORGANIZATIONAL CHART CLEARLY PRESENTING THE PROPOSED GOVERNANCE
10 STRUCTURE OF THE SCHOOL, INCLUDING LINES OF AUTHORITY AND
11 REPORTING BETWEEN THE BOARD OF TRUSTEES, ADMINISTRATORS, STAFF
12 AND ANY EDUCATIONAL MANAGEMENT SERVICE PROVIDER THAT WILL
13 PROVIDE MANAGEMENT SERVICES TO THE CHARTER SCHOOL ENTITY.

14 (4.1) A CLEAR DESCRIPTION OF THE ROLES AND RESPONSIBILITIES
15 FOR THE BOARD OF TRUSTEES, ADMINISTRATORS AND ANY OTHER
16 ENTITIES, INCLUDING A CHARTER SCHOOL FOUNDATION, SHOWN IN THE
17 ORGANIZATIONAL CHART.

18 (4.2) A CLEAR DESCRIPTION OF AND METHOD FOR THE APPOINTMENT
19 OR ELECTION OF MEMBERS OF THE BOARD OF TRUSTEES.

20 (4.3) STANDARDS FOR BOARD OF TRUSTEES PERFORMANCE, INCLUDING
21 COMPLIANCE WITH ALL APPLICABLE LAWS, REGULATIONS AND TERMS OF
22 THE CHARTER.

23 (4.4) IF THE CHARTER SCHOOL ENTITY INTENDS TO CONTRACT WITH
24 AN EDUCATIONAL MANAGEMENT SERVICE PROVIDER FOR SERVICES, ALL OF
25 THE FOLLOWING:

26 (I) EVIDENCE OF THE EDUCATIONAL MANAGEMENT SERVICE
27 PROVIDER'S RECORD IN SERVING STUDENT POPULATIONS, INCLUDING
28 DEMONSTRATED ACADEMIC ACHIEVEMENT AND DEMONSTRATED MANAGEMENT OF
29 NONACADEMIC SCHOOL FUNCTIONS, INCLUDING PROFICIENCY WITH PUBLIC
30 SCHOOL-BASED ACCOUNTING, IF APPLICABLE.

1 (II) A DRAFT CONTRACT STATING ALL OF THE FOLLOWING:

2 (A) THE OFFICERS, CHIEF ADMINISTRATOR AND ADMINISTRATORS OF
3 THE EDUCATIONAL MANAGEMENT SERVICE PROVIDER.

4 (B) THE PROPOSED DURATION OF THE SERVICE CONTRACT.

5 (C) ROLES AND RESPONSIBILITIES OF THE BOARD OF TRUSTEES, THE
6 SCHOOL STAFF AND THE EDUCATIONAL MANAGEMENT SERVICE PROVIDER.

7 (D) THE SCOPE OF SERVICES, PERSONNEL AND RESOURCES TO BE
8 PROVIDED BY THE EDUCATIONAL MANAGEMENT SERVICE PROVIDER.

9 (E) PERFORMANCE EVALUATION MEASURES AND TIMELINES.

10 (F) THE COMPENSATION STRUCTURE, INCLUDING CLEAR
11 IDENTIFICATION OF ALL FEES TO BE PAID TO THE EDUCATIONAL
12 MANAGEMENT SERVICE PROVIDER.

13 (G) METHODS OF CONTRACT OVERSIGHT AND ENFORCEMENT.

14 (H) INVESTMENT DISCLOSURE OR THE ADVANCE OF MONEYS BY THE
15 EDUCATIONAL MANAGEMENT SERVICE PROVIDER ON BEHALF OF THE CHARTER
16 SCHOOL ENTITY.

17 (I) CONDITIONS FOR RENEWAL AND TERMINATION OF THE CONTRACT.

18 (III) DISCLOSURE AND EXPLANATION OF ANY EXISTING OR
19 POTENTIAL CONFLICTS OF INTEREST BETWEEN THE MEMBERS OF THE BOARD
20 OF TRUSTEES AND THE PROPOSED EDUCATIONAL MANAGEMENT SERVICE
21 PROVIDER OR ANY AFFILIATED BUSINESS ENTITIES, INCLUDING A
22 CHARTER SCHOOL FOUNDATION QUALIFIED AS A SUPPORT ORGANIZATION
23 UNDER THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26
24 U.S.C. § 1 ET SEQ.).

25 (5) THE MISSION AND EDUCATION GOALS OF THE CHARTER SCHOOL
26 ENTITY, THE CURRICULUM TO BE OFFERED AND THE METHODS OF
27 ASSESSING WHETHER STUDENTS ARE MEETING EDUCATIONAL GOALS.

28 (6) THE ADMISSION AND ENROLLMENT POLICY [AND CRITERIA FOR
29 EVALUATING THE ADMISSION OF STUDENTS] WHICH SHALL COMPLY WITH
30 THE REQUIREMENTS OF SECTION 1723-A.

1 (7) PROCEDURES WHICH WILL BE USED REGARDING THE SUSPENSION
2 OR EXPULSION OF PUPILS. SAID PROCEDURES SHALL COMPLY WITH
3 SECTION 1318.

4 (8) INFORMATION ON THE MANNER IN WHICH COMMUNITY GROUPS WILL
5 BE INVOLVED IN THE CHARTER SCHOOL ENTITY PLANNING PROCESS.

6 (9) THE FINANCIAL PLAN FOR THE CHARTER SCHOOL ENTITY AND THE
7 PROVISIONS WHICH WILL BE MADE FOR AUDITING THE SCHOOL UNDER
8 [SECTION] SECTIONS 437 AND 1728-A, INCLUDING THE ROLE OF ANY
9 CHARTER SCHOOL FOUNDATION.

10 (10) PROCEDURES WHICH SHALL BE ESTABLISHED TO REVIEW
11 COMPLAINTS OF PARENTS REGARDING THE OPERATION OF THE CHARTER
12 SCHOOL ENTITY.

13 (11) A DESCRIPTION OF AND ADDRESS OF THE PHYSICAL FACILITY
14 IN WHICH THE CHARTER SCHOOL ENTITY WILL BE LOCATED AND THE
15 OWNERSHIP THEREOF AND ANY LEASE ARRANGEMENTS.

16 (12) INFORMATION ON THE PROPOSED SCHOOL CALENDAR FOR THE
17 CHARTER SCHOOL ENTITY, INCLUDING THE LENGTH OF THE SCHOOL DAY
18 AND SCHOOL YEAR CONSISTENT WITH THE PROVISIONS OF SECTION 1502.

19 (13) THE PROPOSED FACULTY, IF ALREADY DETERMINED, AND A
20 PROFESSIONAL DEVELOPMENT AND CONTINUING EDUCATION PLAN FOR THE
21 FACULTY AND PROFESSIONAL STAFF OF [A] THE CHARTER SCHOOL ENTITY.

22 (14) WHETHER ANY AGREEMENTS HAVE BEEN ENTERED INTO OR PLANS
23 DEVELOPED WITH THE LOCAL SCHOOL DISTRICT REGARDING PARTICIPATION
24 OF THE CHARTER SCHOOL ENTITY'S STUDENTS IN EXTRACURRICULAR
25 ACTIVITIES WITHIN THE SCHOOL DISTRICT. NOTWITHSTANDING ANY
26 PROVISION TO THE CONTRARY, NO SCHOOL DISTRICT OF RESIDENCE SHALL
27 PROHIBIT A STUDENT OF A CHARTER SCHOOL ENTITY FROM PARTICIPATING
28 IN ANY EXTRACURRICULAR ACTIVITY OF THAT SCHOOL DISTRICT OF
29 RESIDENCE: PROVIDED, THAT THE STUDENT IS ABLE TO FULFILL ALL OF
30 THE REQUIREMENTS OF PARTICIPATION IN SUCH ACTIVITY AND THE

1 CHARTER SCHOOL ENTITY DOES NOT PROVIDE THE SAME EXTRACURRICULAR
2 ACTIVITY.

3 (15) A REPORT OF CRIMINAL HISTORY RECORD, PURSUANT TO
4 SECTION 111, FOR ALL INDIVIDUALS IDENTIFIED IN THE APPLICATION
5 WHO SHALL HAVE DIRECT CONTACT WITH STUDENTS AND A PLAN FOR
6 SATISFYING THE PROPER CRIMINAL HISTORY RECORD CLEARANCES
7 REQUIRED FOR ALL OTHER STAFF.

8 (16) AN OFFICIAL CLEARANCE STATEMENT REGARDING CHILD INJURY
9 OR ABUSE FROM THE DEPARTMENT OF PUBLIC WELFARE AS REQUIRED BY 23
10 PA.C.S. CH. 63 SUBCH. C.2 (RELATING TO BACKGROUND CHECKS FOR
11 EMPLOYMENT IN SCHOOLS) FOR ALL INDIVIDUALS IDENTIFIED IN THE
12 APPLICATION WHO SHALL HAVE DIRECT CONTACT WITH STUDENTS AND A
13 PLAN FOR SATISFYING THE PROPER OFFICIAL CLEARANCE STATEMENT
14 REGARDING CHILD INJURY OR ABUSE REQUIRED FOR ALL OTHER STAFF.

15 (17) HOW THE CHARTER SCHOOL ENTITY WILL PROVIDE ADEQUATE
16 LIABILITY AND OTHER APPROPRIATE INSURANCE FOR THE CHARTER SCHOOL
17 ENTITY, ITS EMPLOYEES AND THE BOARD OF TRUSTEES OF THE CHARTER
18 SCHOOL ENTITY.

19 (18) POLICIES REGARDING TRUANCY, ABSENCES AND WITHDRAWAL OF
20 STUDENTS, INCLUDING THE MANNER IN WHICH THE CHARTER SCHOOL
21 ENTITY WILL MONITOR ATTENDANCE CONSISTENT WITH SECTION 1715-A(A)
22 (9). THE CHARTER SCHOOL ENTITY'S POLICY SHALL ESTABLISH, TO THE
23 SATISFACTION OF THE LOCAL BOARD OF SCHOOL DIRECTORS OR, IN THE
24 CASE OF CYBER CHARTER SCHOOL, TO THE SATISFACTION OF THE
25 DEPARTMENT, THAT THE CHARTER SCHOOL ENTITY WILL COMPLY WITH
26 SECTIONS 1332 AND 1333, INCLUDING THE INSTITUTION OF TRUANCY
27 PROCEEDINGS WHEN REQUIRED UNDER SECTION 1333.

28 (19) HOW THE CHARTER SCHOOL ENTITY WILL MEET THE STANDARDS
29 INCLUDED IN THE PERFORMANCE MATRIX DEVELOPED BY THE DEPARTMENT
30 UNDER SECTION 1731.1-A.

1 (20) INDICATE WHETHER OR NOT THE CHARTER SCHOOL ENTITY WILL
2 SEEK ACCREDITATION BY A NATIONALLY RECOGNIZED ACCREDITATION
3 AGENCY, INCLUDING THE MIDDLE STATES ASSOCIATION OF COLLEGES AND
4 SCHOOLS OR ANOTHER REGIONAL INSTITUTIONAL ACCREDITING AGENCY
5 RECOGNIZED BY THE UNITED STATES DEPARTMENT OF EDUCATION OR AN
6 EQUIVALENT FEDERALLY RECOGNIZED BODY FOR CHARTER SCHOOL
7 EDUCATION.

8 (B) A LOCAL BOARD OF SCHOOL DIRECTORS MAY NOT IMPOSE
9 ADDITIONAL TERMS, DEVELOP ITS OWN APPLICATION OR REQUIRE
10 ADDITIONAL INFORMATION OUTSIDE THE STANDARD APPLICATION FORM
11 REQUIRED UNDER SUBSECTION (A).

12 SECTION 8. SECTION 1720-A OF THE ACT, AMENDED JULY 9, 2008
13 (P.L.846, NO.61), IS AMENDED TO READ:

14 SECTION 1720-A. TERM AND FORM OF CHARTER.-- (A) (1) UPON
15 APPROVAL OF A CHARTER APPLICATION UNDER SECTION 1717-A, A
16 WRITTEN CHARTER SHALL BE DEVELOPED WHICH SHALL CONTAIN THE
17 PROVISIONS OF THE STANDARDIZED CHARTER APPLICATION UNDER SECTION
18 1719-A AND WHICH SHALL BE SIGNED BY THE LOCAL BOARD OF SCHOOL
19 DIRECTORS OF A SCHOOL DISTRICT, BY THE LOCAL BOARDS OF SCHOOL
20 DIRECTORS OF A SCHOOL DISTRICT IN THE CASE OF A REGIONAL CHARTER
21 SCHOOL OR BY THE CHAIRMAN OF THE APPEAL BOARD PURSUANT TO
22 SECTION [1717-A(I) (5)] 1717-A(I) (9) AND THE BOARD OF TRUSTEES OF
23 THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL. THIS WRITTEN
24 CHARTER, WHEN DULY SIGNED BY THE LOCAL BOARD OF SCHOOL DIRECTORS
25 OF A SCHOOL DISTRICT, [OR] BY THE LOCAL BOARDS OF SCHOOL
26 DIRECTORS OF A SCHOOL DISTRICT IN THE CASE OF A REGIONAL CHARTER
27 SCHOOL OR BY THE CHAIRMAN OF THE APPEAL BOARD, AND THE CHARTER
28 SCHOOL'S OR REGIONAL CHARTER SCHOOL'S BOARD OF TRUSTEES, SHALL
29 ACT AS LEGAL AUTHORIZATION FOR THE ESTABLISHMENT OF A CHARTER
30 SCHOOL OR REGIONAL CHARTER SCHOOL. THIS WRITTEN CHARTER SHALL BE

1 LEGALLY BINDING ON BOTH THE LOCAL BOARD OF SCHOOL DIRECTORS OF A
2 SCHOOL DISTRICT AND THE CHARTER SCHOOL'S OR REGIONAL CHARTER
3 SCHOOL'S BOARD OF TRUSTEES. [EXCEPT AS OTHERWISE PROVIDED IN
4 SUBSECTION (B), THE CHARTER SHALL BE FOR A PERIOD OF NO LESS
5 THAN THREE (3) NOR MORE THAN FIVE (5) YEARS AND MAY BE RENEWED
6 FOR FIVE (5) YEAR PERIODS UPON REAUTHORIZATION BY THE LOCAL
7 BOARD OF SCHOOL DIRECTORS OF A SCHOOL DISTRICT OR THE APPEAL
8 BOARD.] IF THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL
9 CONTRACTS WITH AN EDUCATIONAL MANAGEMENT SERVICE PROVIDER, A
10 CONTRACT SHALL BE EXECUTED ONCE THE CHARTER IS APPROVED. A
11 CHARTER WILL BE GRANTED ONLY FOR A SCHOOL ORGANIZED AS A PUBLIC,
12 NONPROFIT CORPORATION.

13 (2) THE FOLLOWING SHALL APPLY TO ALL CHARTERS GRANTED BY A
14 SCHOOL DISTRICT:

15 (I) AN INITIAL CHARTER EXECUTED PURSUANT TO SECTION
16 1720-A(A) (1) SHALL BE FOR A PERIOD OF FIVE (5) YEARS.

17 (II) PRIOR TO THE EFFECTIVE DATE OF THE REGULATIONS
18 IMPLEMENTING THE PERFORMANCE MATRIX AS REQUIRED PURSUANT TO
19 SECTION 1731.1-A, A CHARTER MAY BE RENEWED FOR FIVE (5) YEAR
20 PERIODS UPON REAUTHORIZATION BY THE LOCAL BOARD OF SCHOOL
21 DIRECTORS OR OTHER GOVERNING BODY OF A SCHOOL DISTRICT OR THE
22 APPEAL BOARD.

23 (III) UPON THE EFFECTIVE DATE OF THE REGULATIONS
24 IMPLEMENTING THE PERFORMANCE MATRIX AS REQUIRED PURSUANT TO
25 SECTION 1731.1-A, THE FOLLOWING SHALL APPLY:

26 (A) FOR CHARTER SCHOOLS AND REGIONAL CHARTER SCHOOLS THAT
27 HAVE SATISFIED THE ACADEMIC QUALITY BENCHMARK ESTABLISHED BY THE
28 STATE BOARD OF EDUCATION PURSUANT TO SECTION 1731.1-A, A CHARTER
29 MAY BE RENEWED FOR TEN (10) YEAR PERIODS UPON REAUTHORIZATION BY
30 THE LOCAL BOARD OF SCHOOL DIRECTORS OR OTHER GOVERNING BODY OF A

1 SCHOOL DISTRICT OR THE APPEAL BOARD.

2 (B) FOR CHARTER SCHOOLS AND REGIONAL CHARTER SCHOOLS THAT
3 HAVE NOT SATISFIED THE ACADEMIC QUALITY BENCHMARK ESTABLISHED BY
4 THE STATE BOARD OF EDUCATION PURSUANT TO SECTION 1731.1-A, A
5 CHARTER MAY BE RENEWED FOR FIVE (5) YEAR PERIODS UPON
6 REAUTHORIZATION BY THE LOCAL BOARD OF SCHOOL DIRECTORS OR OTHER
7 GOVERNING BODY OF A SCHOOL DISTRICT OR THE APPEAL BOARD.

8 (B) (1) NOTWITHSTANDING SUBSECTION (A), A GOVERNING BOARD
9 OF A SCHOOL DISTRICT OF THE FIRST CLASS MAY RENEW A CHARTER FOR
10 A PERIOD OF ONE (1) YEAR IF THE BOARD OF SCHOOL DIRECTORS
11 DETERMINES THAT THERE IS INSUFFICIENT DATA CONCERNING THE
12 CHARTER SCHOOL'S ACADEMIC PERFORMANCE TO ADEQUATELY ASSESS THAT
13 PERFORMANCE AND DETERMINES THAT AN ADDITIONAL YEAR OF
14 PERFORMANCE DATA WOULD YIELD SUFFICIENT DATA TO ASSIST THE
15 GOVERNING BOARD IN ITS DECISION WHETHER TO RENEW THE CHARTER FOR
16 A PERIOD OF FIVE (5) YEARS.

17 (2) A ONE-YEAR RENEWAL PURSUANT TO PARAGRAPH (1) SHALL NOT
18 BE CONSIDERED AN ADJUDICATION AND MAY NOT BE APPEALED TO THE
19 STATE CHARTER SCHOOL APPEAL BOARD.

20 (3) A GOVERNING BOARD OF A SCHOOL DISTRICT OF THE FIRST
21 CLASS DOES NOT HAVE THE AUTHORITY TO RENEW A CHARTER FOR
22 SUCCESSIVE ONE (1) YEAR PERIODS.

23 (C) (1) A CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL MAY
24 REQUEST AMENDMENTS TO ITS APPROVED WRITTEN CHARTER BY FILING A
25 WRITTEN DOCUMENT DESCRIBING THE REQUESTED AMENDMENT WITH THE
26 LOCAL BOARD OF SCHOOL DIRECTORS.

27 (2) WITHIN THIRTY-FIVE (35) DAYS OF ITS RECEIPT OF THE
28 REQUEST FOR AN AMENDMENT, THE LOCAL BOARD OF SCHOOL DIRECTORS
29 SHALL HOLD A PUBLIC HEARING ON THE REQUESTED AMENDMENT UNDER 65
30 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).

1 (3) WITHIN THIRTY-FIVE (35) DAYS AFTER THE HEARING, THE
2 LOCAL BOARD OF SCHOOL DIRECTORS SHALL GRANT OR DENY THE
3 REQUESTED AMENDMENT. FAILURE BY THE LOCAL BOARD OF SCHOOL
4 DIRECTORS TO HOLD A PUBLIC HEARING AND TO GRANT OR DENY THE
5 AMENDMENTS WITHIN THE TIME PERIOD SPECIFIED IN THIS SUBSECTION
6 SHALL BE DEEMED AN APPROVAL.

7 (4) AN APPLICANT FOR AN AMENDMENT TO A LOCAL BOARD OF SCHOOL
8 DIRECTORS SHALL HAVE THE RIGHT TO APPEAL THE DENIAL OF A
9 REQUESTED AMENDMENT TO THE APPEAL BOARD PROVIDED FOR UNDER
10 SECTION 1721-A.

11 SECTION 9. SECTION 1721-A(A) AND (E) OF THE ACT, ADDED JUNE
12 19, 1997 (P.L.225, NO.22), ARE AMENDED TO READ:

13 SECTION 1721-A. STATE CHARTER SCHOOL APPEAL BOARD.-- (A) THE
14 STATE CHARTER SCHOOL APPEAL BOARD SHALL CONSIST OF THE SECRETARY
15 OF EDUCATION AND [SIX (6)] THE FOLLOWING MEMBERS WHO SHALL BE
16 APPOINTED BY THE GOVERNOR BY AND WITH THE CONSENT OF A MAJORITY
17 OF ALL THE MEMBERS OF THE SENATE. [APPOINTMENTS BY THE GOVERNOR
18 SHALL NOT OCCUR PRIOR TO JANUARY 1, 1999.] THE GOVERNOR SHALL
19 SELECT THE CHAIRMAN OF THE APPEAL BOARD TO SERVE AT THE PLEASURE
20 OF THE GOVERNOR. THE MEMBERS SHALL INCLUDE:

21 (1) A PARENT OF A SCHOOL-AGED CHILD ENROLLED IN A CHARTER
22 SCHOOL ENTITY.

23 (2) A SCHOOL BOARD MEMBER.

24 (3) A CERTIFIED TEACHER ACTIVELY EMPLOYED IN A PUBLIC
25 SCHOOL.

26 (4) A FACULTY MEMBER OR ADMINISTRATIVE EMPLOYEE OF AN
27 INSTITUTION OF HIGHER EDUCATION.

28 (5) A MEMBER OF THE BUSINESS COMMUNITY.

29 (6) A MEMBER OF THE STATE BOARD OF EDUCATION.

30 (7) AN ADMINISTRATOR OF A CHARTER SCHOOL ENTITY.

1 (8) A MEMBER OF THE BOARD OF TRUSTEES OF A CHARTER SCHOOL
2 ENTITY.
3 THE TERM OF OFFICE OF MEMBERS OF THE APPEAL BOARD, OTHER THAN
4 THE SECRETARY, SHALL BE FOR A PERIOD OF FOUR (4) YEARS OR UNTIL
5 A SUCCESSOR IS APPOINTED AND QUALIFIED, EXCEPT THAT, OF THE
6 INITIAL APPOINTEES, THE GOVERNOR SHALL DESIGNATE TWO (2) MEMBERS
7 TO SERVE TERMS OF TWO (2) YEARS, TWO (2) MEMBERS TO SERVE TERMS
8 OF THREE (3) YEARS AND TWO (2) MEMBERS TO SERVE TERMS OF FOUR
9 (4) YEARS. A PARENT MEMBER APPOINTED UNDER PARAGRAPH (1) SHALL
10 SERVE A TERM OF FOUR (4) YEARS, PROVIDED THE MEMBER'S CHILD
11 REMAINS ENROLLED IN THE CHARTER SCHOOL ENTITY. ANY APPOINTMENT
12 TO FILL ANY VACANCY SHALL BE FOR THE PERIOD OF THE UNEXPIRED
13 TERM OR UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIED.

14 * * *

15 (E) MEETINGS OF THE APPEAL BOARD SHALL BE CONDUCTED UNDER
16 [THE ACT OF JULY 3, 1986 (P.L.388, NO.84), KNOWN AS THE
17 "SUNSHINE ACT."] 65 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).
18 DOCUMENTS OF THE APPEAL BOARD SHALL BE SUBJECT TO THE ACT OF
19 [JUNE 21, 1957 (P.L.390, NO.212), REFERRED TO AS THE RIGHT-TO-
20 KNOW LAW.] FEBRUARY 14, 2008 (P.L.6, NO.3), KNOWN AS THE "RIGHT-
21 TO-KNOW LAW."

22 SECTION 10. SECTION 1722-A(A), (B) AND (D) OF THE ACT,
23 AMENDED NOVEMBER 17, 2010 (P.L.996, NO.104), ARE AMENDED AND THE
24 SECTION IS AMENDED BY ADDING SUBSECTIONS TO READ:

25 SECTION 1722-A. FACILITIES.--(A) A CHARTER SCHOOL ENTITY
26 MAY BE LOCATED IN AN EXISTING PUBLIC SCHOOL BUILDING, IN A PART
27 OF AN EXISTING PUBLIC SCHOOL BUILDING, IN SPACE PROVIDED ON A
28 PRIVATELY OWNED SITE, IN A PUBLIC BUILDING OR IN ANY OTHER
29 SUITABLE LOCATION.

30 (B) THE CHARTER SCHOOL ENTITY FACILITY SHALL BE EXEMPT FROM

1 PUBLIC SCHOOL FACILITY REGULATIONS EXCEPT THOSE PERTAINING TO
2 THE HEALTH OR SAFETY OF [THE PUPILS] STUDENTS.

3 (B.1) (1) A CHARTER SCHOOL ENTITY SHALL HAVE THE RIGHT OF
4 FIRST REFUSAL TO PURCHASE OR LEASE, FOR EDUCATIONAL PURPOSES
5 ONLY, A PUBLIC SCHOOL BUILDING OR A PART OF A PUBLIC SCHOOL
6 BUILDING WHICH IS NO LONGER IN ACTIVE USE BY THE PROPERTY
7 TITLEHOLDER, AT THE PRICE OF ONE OF THE FOLLOWING:

8 (I) THE LAST BEST OFFER ABOVE FAIR MARKET VALUE RECEIVED IN
9 THE NINETY (90) DAYS PRECEDING THE CHARTER SCHOOL ENTITY'S
10 OFFER.

11 (II) FAIR MARKET VALUE, IF NO OFFER HAS BEEN RECEIVED IN THE
12 NINETY (90) DAYS PRECEDING THE CHARTER SCHOOL ENTITY'S OFFER.

13 (III) BELOW FAIR MARKET VALUE, UPON THE MUTUAL AGREEMENT OF
14 THE SCHOOL ENTITY AND THE CHARTER SCHOOL ENTITY.

15 (2) SUBJECT TO PARAGRAPH (4), A SCHOOL ENTITY SHALL ACCEPT
16 AN OFFER FROM A CHARTER SCHOOL ENTITY THAT CONFORMS TO THE
17 PROVISIONS OF PARAGRAPH (1).

18 (3) THE DEPARTMENT SHALL PROVIDE A PAGE ON ITS PUBLICLY
19 ACCESSIBLE INTERNET WEBSITE ON WHICH SCHOOL ENTITIES ARE
20 REQUIRED TO POST A NOTICE FOR EACH PUBLIC SCHOOL BUILDING OR
21 PART OF A PUBLIC SCHOOL BUILDING THAT IS AVAILABLE FOR PURCHASE
22 OR LEASE. A SCHOOL ENTITY SHALL SUBMIT A NOTICE TO THE
23 DEPARTMENT ON A FORM TO BE DEVELOPED BY THE DEPARTMENT. THE
24 DEPARTMENT SHALL POST THE NOTICE WITHIN FIVE (5) DAYS OF
25 RECEIVING THE FORM.

26 (4) THE FOLLOWING SHALL APPLY TO THE SALE OR LEASE OF A
27 PUBLIC SCHOOL BUILDING OR A PART OF A PUBLIC SCHOOL BUILDING BY
28 A SCHOOL ENTITY:

29 (I) A SCHOOL ENTITY MAY NOT ENTER A CONTRACT TO SELL OR
30 LEASE A BUILDING OR PART OF A BUILDING UNTIL AT LEAST THIRTY

1 (30) DAYS AFTER THE POSTING OF A NOTICE AS REQUIRED UNDER
2 PARAGRAPH (3).

3 (II) WHERE TWO (2) OR MORE CHARTER SCHOOL ENTITIES MAKE
4 OFFERS ON THE SAME BUILDING OR PART OF A BUILDING THAT CONFORM
5 TO THE PROVISIONS OF THIS SUBSECTION, THE SCHOOL ENTITY SHALL:

6 (A) ACCEPT THE FIRST OFFER WHERE ALL THE OFFERS ARE EQUAL.

7 (B) ACCEPT THE BEST OFFER WHERE THE OFFERS DIFFER.

8 (D) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, A
9 SCHOOL DISTRICT [OF THE FIRST CLASS] MAY, IN ITS DISCRETION,
10 PERMIT A CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL TO OPERATE
11 ITS SCHOOL AT MORE THAN ONE LOCATION.

12 * * *

13 (F) (1) ALCOHOLIC BEVERAGES SHALL NOT BE AVAILABLE FOR
14 CONSUMPTION, PURCHASE OR SALE IN ANY CHARTER SCHOOL ENTITY
15 FACILITY.

16 (2) IF, IN THE CASE OF A CHARTER SCHOOL OR REGIONAL CHARTER
17 SCHOOL, THE LOCAL BOARD OF SCHOOL DIRECTORS REASONABLY BELIEVES
18 THAT ALCOHOLIC BEVERAGES HAVE BEEN MADE AVAILABLE FOR
19 CONSUMPTION, PURCHASE OR SALE IN THE CHARTER SCHOOL OR REGIONAL
20 CHARTER SCHOOL FACILITY, THE LOCAL BOARD OF SCHOOL DIRECTORS
21 SHALL NOTIFY THE DEPARTMENT.

22 (3) IF ALCOHOLIC BEVERAGES HAVE BEEN MADE AVAILABLE FOR
23 CONSUMPTION, PURCHASE OR SALE IN A CHARTER SCHOOL ENTITY
24 FACILITY, THE SECRETARY SHALL ORDER THE FOLLOWING FORFEITURES
25 AGAINST THE CHARTER SCHOOL ENTITY:

26 (I) A FINE OF \$1,000 FOR THE FIRST VIOLATION.

27 (II) A FINE OF \$5,000 FOR THE SECOND OR SUBSEQUENT
28 VIOLATION.

29 (4) THE CHARTER SCHOOL ENTITY MAY APPEAL THE ORDER OF THE
30 SECRETARY UNDER 2 PA.C.S. CHS. 5 (RELATING TO PRACTICE AND

1 PROCEDURE) AND 7 (RELATING TO JUDICIAL REVIEW).

2 SECTION 11. SECTION 1723-A(A) AND (B) OF THE ACT, AMENDED
3 JUNE 26, 1999 (P.L.394, NO.36) ARE AMENDED TO READ:

4 SECTION 1723-A. [ENROLLMENT] ADMISSION AND ENROLLMENT

5 REQUIREMENTS.-- (A) (1) ALL RESIDENT CHILDREN IN THIS

6 COMMONWEALTH WHO SUBMIT A COMPLETED ENROLLMENT FORM IN

7 ACCORDANCE WITH CLAUSE (3) QUALIFY FOR ADMISSION TO A CHARTER

8 SCHOOL ENTITY WITHIN THE PROVISIONS OF SUBSECTION (B). [IF] IN

9 THE CASE OF A CHARTER SCHOOL, IF MORE STUDENTS APPLY TO THE

10 CHARTER SCHOOL THAN THE NUMBER OF ATTENDANCE SLOTS AVAILABLE IN

11 THE SCHOOL, THEN STUDENTS MUST BE SELECTED ON A RANDOM BASIS

12 FROM A POOL OF [QUALIFIED APPLICANTS MEETING THE ESTABLISHED

13 ELIGIBILITY CRITERIA AND SUBMITTING AN APPLICATION] ELIGIBLE

14 APPLICANTS WHO HAVE SUBMITTED AN ENROLLMENT FORM IN ACCORDANCE

15 WITH CLAUSES (3) AND (4) BY THE DEADLINE ESTABLISHED BY THE

16 CHARTER SCHOOL, EXCEPT THAT THE CHARTER SCHOOL MAY GIVE

17 PREFERENCE IN ENROLLMENT TO A CHILD OF A PARENT WHO HAS ACTIVELY

18 PARTICIPATED IN THE DEVELOPMENT OF THE CHARTER SCHOOL [AND], TO

19 SIBLINGS OF STUDENTS PRESENTLY ENROLLED IN THE CHARTER SCHOOL

20 AND TO SIBLINGS OF STUDENTS SELECTED FOR ENROLLMENT DURING THE

21 LOTTERY PROCESS. FIRST PREFERENCE SHALL BE GIVEN TO STUDENTS WHO

22 RESIDE IN THE DISTRICT OR DISTRICTS[.] IN WHICH THE CHARTER

23 SCHOOL IS PHYSICALLY LOCATED.

24 (2) IF A CHARTER SCHOOL HAS A WAITING LIST FOLLOWING ITS

25 INITIAL SELECTION OF ELIGIBLE APPLICANTS UNDER CLAUSE (1), THE

26 CHARTER SCHOOL SHALL SELECT ELIGIBLE APPLICANTS FROM THE WAITING

27 LIST AS SPACES BECOME AVAILABLE. ALL CHILDREN SHALL BE ASSIGNED

28 TO THE WAITING LIST ON A RANDOM BASIS. WHEN SELECTING ELIGIBLE

29 APPLICANTS FROM THE WAITING LIST, A CHARTER SCHOOL SHALL GIVE

30 FIRST PREFERENCE TO STUDENTS AS PROVIDED UNDER CLAUSE (1) AND TO

1 THOSE WHO RESIDE IN THE DISTRICT OR DISTRICTS IN WHICH THE
2 CHARTER SCHOOL IS PHYSICALLY LOCATED UNTIL THE CHARTER SCHOOL
3 AGAIN REACHES ITS MAXIMUM CAPACITY OF STUDENTS. IF A CHARTER
4 SCHOOL HAS A WAITING LIST, ONCE THE CHARTER SCHOOL HAS EXHAUSTED
5 THE WAITING LIST OF RESIDENT CHILDREN, IT MAY THEN ENROLL
6 CHILDREN ON THE WAITING LIST WHO RESIDE OUTSIDE OF THE DISTRICT.
7 NONRESIDENT CHILDREN SHALL ALSO BE SELECTED ON A RANDOM BASIS.

8 (3) THE DEPARTMENT, IN CONSULTATION WITH REPRESENTATIVES OF
9 CHARTER SCHOOL ENTITIES, SHALL DEVELOP A STANDARD ENROLLMENT
10 FORM THAT SHALL BE USED BY ALL ELIGIBLE APPLICANTS TO APPLY TO A
11 CHARTER SCHOOL ENTITY. THE STANDARD ENROLLMENT FORM SHALL ONLY
12 REQUEST INFORMATION NECESSARY TO ALLOW THE CHARTER SCHOOL ENTITY
13 TO IDENTIFY THE STUDENT, GRADE LEVEL AND RESIDENCY, INCLUDING:

14 (I) THE STUDENT'S NAME, PHYSICAL ADDRESS, TELEPHONE NUMBER,
15 AGE, BIRTH DATE AND CURRENT GRADE LEVEL.

16 (II) THE NAME, PHYSICAL ADDRESS, TELEPHONE NUMBER AND E-MAIL
17 ADDRESS OF THE STUDENT'S PARENT OR GUARDIAN.

18 (4) THE STANDARD ENROLLMENT FORM SHALL BE MADE PHYSICALLY
19 AVAILABLE AT EACH CHARTER SCHOOL ENTITY, IN A FORM THAT COMPLIES
20 WITH FEDERAL AND STATE LAW AND POSTED ON THE PUBLICLY ACCESSIBLE
21 INTERNET WEBSITE OF EACH CHARTER SCHOOL ENTITY, IF AVAILABLE. A
22 CHARTER SCHOOL ENTITY MAY ACCEPT THE ENROLLMENT FORM VIA
23 ELECTRONIC MEANS.

24 (5) WHEN A STUDENT APPLIES TO A CHARTER SCHOOL ENTITY, A
25 CHARTER SCHOOL ENTITY SHALL NOT REQUIRE OR REQUEST INFORMATION
26 BEYOND THE CONTENTS OF THE STANDARD ENROLLMENT FORM DEVELOPED BY
27 THE DEPARTMENT.

28 (6) NOTHING IN THIS SECTION SHALL PROHIBIT A CHARTER SCHOOL
29 ENTITY FROM REQUESTING THE SUBMISSION OF ADDITIONAL RECORDS AND
30 INFORMATION THAT PUBLIC SCHOOLS ARE ENTITLED TO RECEIVE AFTER A

1 STUDENT IS ACCEPTED FOR ADMISSION TO A CHARTER SCHOOL ENTITY.
2 (7) AS USED IN THIS SUBSECTION "ELIGIBLE APPLICANT" SHALL
3 MEAN A STUDENT WHO IS SEEKING TO ENTER A GRADE LEVEL OFFERED BY
4 THE CHARTER SCHOOL AND MEETS THE REQUIREMENTS OF 22 PA. CODE §§
5 11.12 (RELATING TO SCHOOL AGE), 11.13 (RELATING TO COMPULSORY
6 SCHOOL AGE), 11.14 (RELATING TO ADMISSION TO KINDERGARTEN WHEN
7 PROVIDED), 11.15 (RELATING TO ADMISSION OF BEGINNERS), 11.16
8 (RELATING TO EARLY ADMISSION OF BEGINNERS) AND 12.1 (RELATING TO
9 FREE EDUCATION AND ATTENDANCE) AND STUDENT RESIDENCY
10 REQUIREMENTS.

11 (B) (1) A CHARTER SCHOOL ENTITY SHALL NOT DISCRIMINATE IN
12 ITS ADMISSION POLICIES OR PRACTICES ON THE BASIS OF INTELLECTUAL
13 ABILITY, [EXCEPT AS PROVIDED IN PARAGRAPH (2), OR] ATHLETIC
14 ABILITY, MEASURES OF ACHIEVEMENT OR APTITUDE, STATUS AS A PERSON
15 WITH A DISABILITY, PROFICIENCY IN THE ENGLISH LANGUAGE OR ANY
16 OTHER BASIS THAT WOULD BE ILLEGAL IF USED BY A SCHOOL DISTRICT.

17 (2) A CHARTER SCHOOL ENTITY MAY LIMIT [ADMISSION] ITS
18 ACADEMIC FOCUS TO A PARTICULAR GRADE LEVEL[,] OR A TARGETED
19 POPULATION GROUP COMPOSED OF AT-RISK STUDENTS[, OR AREAS OF
20 CONCENTRATION OF THE SCHOOL SUCH AS MATHEMATICS, SCIENCE OR THE
21 ARTS. A CHARTER SCHOOL MAY ESTABLISH REASONABLE CRITERIA TO
22 EVALUATE PROSPECTIVE STUDENTS WHICH SHALL BE OUTLINED IN THE
23 SCHOOL'S CHARTER.] OR A SPECIALIZED AREA OR ACCELERATED PROGRAM
24 OF STUDY, SUCH AS MATHEMATICS, SCIENCE OR THE ARTS.

25 * * *

26 SECTION 12. SECTION 1724-A(D) OF THE ACT, ADDED JUNE 19,
27 1997 (P.L.225, NO.22), IS REENACTED AND AMENDED TO READ:

28 SECTION 1724-A. SCHOOL STAFF.--* * *

29 (D) EVERY EMPLOYE OF A CHARTER SCHOOL SHALL BE PROVIDED [THE
30 SAME] SIMILAR HEALTH CARE BENEFITS AS THE EMPLOYE WOULD BE

1 PROVIDED IF HE OR SHE WERE AN EMPLOYE OF THE LOCAL DISTRICT. THE
2 LOCAL BOARD OF SCHOOL DIRECTORS MAY REQUIRE THE CHARTER SCHOOL
3 TO PROVIDE [THE SAME] SIMILAR TERMS AND CONDITIONS WITH REGARD
4 TO HEALTH INSURANCE AS THE COLLECTIVE BARGAINING AGREEMENT OF
5 THE SCHOOL DISTRICT TO INCLUDE EMPLOYE CONTRIBUTIONS TO THE
6 DISTRICT'S HEALTH BENEFITS PLAN. THE CHARTER SCHOOL SHALL MAKE
7 ANY REQUIRED EMPLOYER'S CONTRIBUTION TO THE DISTRICT'S HEALTH
8 PLAN TO AN INSURER, A LOCAL BOARD OF SCHOOL DIRECTORS OR A
9 CONTRACTUAL REPRESENTATIVE OF SCHOOL EMPLOYES, WHICHEVER IS
10 APPROPRIATE TO PROVIDE THE REQUIRED COVERAGE.

11 * * *

12 SECTION 13. SECTION 1725-A(A) (2) OF THE ACT, AMENDED JUNE
13 29, 2002 (P.L.524, NO.88), IS AMENDED TO READ:

14 SECTION 1725-A. FUNDING FOR CHARTER SCHOOLS.--(A) FUNDING
15 FOR A CHARTER SCHOOL SHALL BE PROVIDED IN THE FOLLOWING MANNER:

16 * * *

17 (2) FOR NON-SPECIAL EDUCATION STUDENTS, THE CHARTER SCHOOL
18 SHALL RECEIVE FOR EACH STUDENT ENROLLED NO LESS THAN THE
19 BUDGETED TOTAL EXPENDITURE PER AVERAGE DAILY MEMBERSHIP OF THE
20 PRIOR SCHOOL YEAR, AS DEFINED IN SECTION 2501(20), MINUS THE
21 BUDGETED EXPENDITURES OF THE DISTRICT OF RESIDENCE FOR NONPUBLIC
22 SCHOOL PROGRAMS; ADULT EDUCATION PROGRAMS; COMMUNITY/JUNIOR
23 COLLEGE PROGRAMS; STUDENT TRANSPORTATION SERVICES; FOR SPECIAL
24 EDUCATION PROGRAMS; FACILITIES ACQUISITION, CONSTRUCTION AND
25 IMPROVEMENT SERVICES; PROGRAMS AND SERVICES TO THE EXTENT THEY
26 ARE FUNDED FROM THE PROCEEDS OF COMPETITIVE GRANTS FROM PRIVATE
27 OR PUBLIC RESOURCES OR FROM CONTRIBUTIONS OR DONATIONS FROM
28 PRIVATE SOURCES; AND OTHER FINANCING USES, INCLUDING DEBT
29 SERVICE AND FUND TRANSFERS AS PROVIDED IN THE MANUAL OF
30 ACCOUNTING AND RELATED FINANCIAL PROCEDURES FOR PENNSYLVANIA

1 SCHOOL SYSTEMS ESTABLISHED BY THE DEPARTMENT. THIS AMOUNT SHALL
2 BE PAID BY THE DISTRICT OF RESIDENCE OF EACH STUDENT.

3 * * *

4 SECTION 14. SECTION 1728-A(A) OF THE ACT, ADDED JUNE 19,
5 1997 (P.L.225, NO.22), IS AMENDED TO READ:

6 SECTION 1728-A. ANNUAL REPORTS AND ASSESSMENTS.--(A) (1)
7 THE LOCAL BOARD OF SCHOOL DIRECTORS SHALL ANNUALLY ASSESS
8 WHETHER EACH CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL IS
9 MEETING THE GOALS OF ITS CHARTER AND SHALL CONDUCT A
10 COMPREHENSIVE REVIEW PRIOR TO GRANTING A [FIVE (5) YEAR] RENEWAL
11 OF THE CHARTER PURSUANT TO SECTION 1720-A(A) (2). THE LOCAL BOARD
12 OF SCHOOL DIRECTORS SHALL HAVE ONGOING ACCESS TO THE RECORDS AND
13 FACILITIES OF THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL TO
14 ENSURE THAT THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL IS IN
15 COMPLIANCE WITH ITS CHARTER AND THIS ACT AND THAT REQUIREMENTS
16 FOR TESTING, CIVIL RIGHTS AND STUDENT HEALTH AND SAFETY ARE
17 BEING MET.

18 (2) ONGOING ACCESS TO A CHARTER SCHOOL'S OR REGIONAL CHARTER
19 SCHOOL'S RECORDS SHALL MEAN THAT THE LOCAL BOARD OF SCHOOL
20 DIRECTORS SHALL HAVE ACCESS TO RECORDS SUCH AS FINANCIAL
21 REPORTS, FINANCIAL AUDITS, AGGREGATE STANDARDIZED TEST SCORES
22 WITHOUT STUDENT-IDENTIFYING INFORMATION AND TEACHER
23 CERTIFICATION AND PERSONNEL RECORDS.

24 (3) CHARTER SCHOOLS AND REGIONAL CHARTER SCHOOLS SHALL
25 COMPLY FULLY WITH THE REQUIREMENTS OF THE FAMILY EDUCATIONAL
26 RIGHTS AND PRIVACY ACT OF 1974 (PUBLIC LAW 90-247, 20 U.S.C. §
27 1232G) AND ASSOCIATED REGULATIONS. NO PERSONALLY IDENTIFIABLE
28 INFORMATION FROM EDUCATION RECORDS SHALL BE PROVIDED BY THE
29 CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL TO THE SCHOOL DISTRICT
30 EXCEPT IN COMPLIANCE WITH THE FAMILY EDUCATIONAL RIGHTS AND

1 PRIVACY ACT OF 1974.

2 (B) IN ORDER TO FACILITATE THE LOCAL BOARD'S REVIEW AND
3 SECRETARY'S REPORT, EACH CHARTER SCHOOL OR REGIONAL CHARTER
4 SCHOOL SHALL SUBMIT AN ANNUAL REPORT NO LATER THAN AUGUST 1 OF
5 EACH YEAR TO THE LOCAL BOARD OF SCHOOL DIRECTORS AND THE
6 SECRETARY IN THE FORM PRESCRIBED BY THE SECRETARY.

7 [(C) FIVE (5) YEARS FOLLOWING THE EFFECTIVE DATE OF THIS
8 ARTICLE, THE SECRETARY SHALL CONTRACT WITH AN INDEPENDENT
9 PROFESSIONAL CONSULTANT WITH EXPERTISE IN PUBLIC AND PRIVATE
10 EDUCATION. THE CONSULTANT SHALL RECEIVE INPUT FROM MEMBERS OF
11 THE EDUCATIONAL COMMUNITY AND THE PUBLIC ON THE CHARTER SCHOOL
12 PROGRAM. THE CONSULTANT SHALL SUBMIT A REPORT TO THE SECRETARY,
13 THE GOVERNOR AND THE GENERAL ASSEMBLY AND AN EVALUATION OF THE
14 CHARTER SCHOOL PROGRAM, WHICH SHALL INCLUDE A RECOMMENDATION ON
15 THE ADVISABILITY OF THE CONTINUATION, MODIFICATION, EXPANSION OR
16 TERMINATION OF THE PROGRAM AND ANY RECOMMENDATIONS FOR CHANGES
17 IN THE STRUCTURE OF THE PROGRAM.]

18 (D) A CHARTER SCHOOL ENTITY SHALL FORM AN INDEPENDENT AUDIT
19 COMMITTEE OF ITS BOARD MEMBERS WHICH SHALL REVIEW AT THE CLOSE
20 OF EACH FISCAL YEAR A COMPLETE CERTIFIED AUDIT OF THE OPERATIONS
21 OF THE CHARTER SCHOOL ENTITY. THE AUDIT SHALL BE CONDUCTED BY A
22 QUALIFIED INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT. THE AUDIT
23 SHALL BE CONDUCTED UNDER GENERALLY ACCEPTED AUDIT STANDARDS OF
24 THE GOVERNMENTAL ACCOUNTING STANDARDS BOARD AND SHALL INCLUDE
25 THE FOLLOWING:

26 (1) AN ENROLLMENT TEST TO VERIFY THE ACCURACY OF STUDENT
27 ENROLLMENT AND REPORTING TO THE STATE.

28 (2) FULL REVIEW OF EXPENSE REIMBURSEMENTS FOR BOARD MEMBERS
29 AND ADMINISTRATORS, INCLUDING SAMPLING OF ALL REIMBURSEMENTS.

30 (3) REVIEW OF INTERNAL CONTROLS, INCLUDING REVIEW OF

1 RECEIPTS AND DISBURSEMENTS.

2 (4) REVIEW OF ANNUAL FEDERAL AND STATE TAX FILINGS,
3 INCLUDING THE INTERNAL REVENUE SERVICE FORM 990, RETURN OF
4 ORGANIZATION EXEMPT FROM INCOME TAX AND ALL RELATED SCHEDULES
5 AND APPENDICES FOR THE CHARTER SCHOOL ENTITY AND CHARTER SCHOOL
6 FOUNDATION, IF APPLICABLE.

7 (5) REVIEW OF THE FINANCIAL STATEMENTS OF ANY CHARTER SCHOOL
8 FOUNDATION.

9 (6) REVIEW OF THE SELECTION AND ACCEPTANCE PROCESS OF ALL
10 CONTRACTS PUBLICLY BID PURSUANT TO SECTION 751.

11 (7) REVIEW OF ALL BOARD POLICIES AND PROCEDURES WITH REGARD
12 TO INTERNAL CONTROLS, CODE OF ETHICS, CONFLICTS OF INTEREST,
13 WHISTLE-BLOWER PROTECTIONS, COMPLAINTS FROM PARENTS OR THE
14 PUBLIC, COMPLIANCE WITH 65 PA.C.S. CH. 7 (RELATING TO OPEN
15 MEETINGS), COMPLIANCE WITH THE "RIGHT-TO-KNOW LAW," FINANCES,
16 BUDGETING, AUDITS, PUBLIC BIDDING AND BONDING.

17 (E) THE CERTIFIED AUDIT UNDER SUBSECTION (D) AND THE ANNUAL
18 BUDGET UNDER SUBSECTION (G) ARE PUBLIC DOCUMENTS AND SHALL BE
19 MADE AVAILABLE ON THE CHARTER SCHOOL ENTITY'S PUBLICLY
20 ACCESSIBLE INTERNET WEBSITE, IF AVAILABLE, AND IN THE CASE OF A
21 CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL, ON THE SCHOOL
22 DISTRICT'S PUBLICLY ACCESSIBLE INTERNET WEBSITE.

23 (F) A CHARTER SCHOOL ENTITY MAY BE SUBJECT TO AN ANNUAL
24 AUDIT BY THE AUDITOR GENERAL, IN ADDITION TO ANY OTHER AUDITS
25 REQUIRED BY FEDERAL LAW OR THIS ARTICLE.

26 (G) A CHARTER SCHOOL ENTITY SHALL ANNUALLY PROVIDE THE
27 DEPARTMENT AND, IN THE CASE OF A CHARTER SCHOOL OR REGIONAL
28 CHARTER SCHOOL, SHALL ANNUALLY PROVIDE THE SCHOOL DISTRICT, WITH
29 A COPY OF THE ANNUAL BUDGET FOR THE OPERATION OF THE CHARTER
30 SCHOOL ENTITY THAT IDENTIFIES THE FOLLOWING:

1 (1) THE SOURCE OF FUNDING FOR ALL EXPENDITURES AS PART OF
2 ITS REPORTING UNDER SUBSECTION (A).

3 (2) WHERE FUNDING IS PROVIDED BY A CHARTER SCHOOL
4 FOUNDATION, THE AMOUNT OF FUNDS AND A DESCRIPTION OF THE USE OF
5 THE FUNDS.

6 (3) THE SALARIES OF ALL ADMINISTRATORS OF THE CHARTER SCHOOL
7 ENTITY.

8 (4) ALL EXPENDITURES TO AN EDUCATIONAL MANAGEMENT SERVICE
9 PROVIDER.

10 (H) (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A
11 CHARTER SCHOOL ENTITY AND ANY AFFILIATED CHARTER SCHOOL
12 FOUNDATION SHALL MAKE COPIES OF ITS ANNUAL FEDERAL AND STATE TAX
13 FILINGS AVAILABLE UPON REQUEST AND ON THE FOUNDATION'S OR
14 CHARTER SCHOOL ENTITY'S PUBLICLY ACCESSIBLE INTERNET WEBSITE, IF
15 APPLICABLE, INCLUDING INTERNAL REVENUE SERVICE FORM 990, RETURN
16 OF ORGANIZATION EXEMPT FROM INCOME TAX AND ALL RELATED SCHEDULES
17 AND APPENDICES.

18 (2) THE CHARTER SCHOOL FOUNDATION SHALL ALSO MAKE COPIES OF
19 ITS ANNUAL BUDGET AVAILABLE UPON REQUEST AND ON THE FOUNDATION'S
20 OR THE CHARTER SCHOOL ENTITY'S PUBLICLY ACCESSIBLE INTERNET
21 WEBSITE WITHIN THIRTY (30) DAYS OF THE CLOSE OF THE FOUNDATION'S
22 FISCAL YEAR.

23 (3) THE ANNUAL BUDGET SHALL INCLUDE THE SALARIES OF ALL
24 EMPLOYEES OF THE CHARTER SCHOOL FOUNDATION.

25 SECTION 15. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

26 SECTION 1728.2-A. CHARTER AUTHORIZER ACCOUNTABILITY.--(A)
27 EACH LOCAL BOARD OF SCHOOL DIRECTORS SHALL BE REQUIRED TO SUBMIT
28 TO THE DEPARTMENT AN ANNUAL REPORT SUMMARIZING:

29 (1) THE STRATEGIC VISION FOR CHARTERING AND PROGRESS TOWARD
30 ACHIEVING THAT VISION.

1 (2) THE ACADEMIC AND FINANCIAL PERFORMANCE OF ALL OPERATING
2 PUBLIC CHARTER SCHOOLS AND REGIONAL CHARTER SCHOOLS OVERSEEN BY
3 THE LOCAL BOARD OF SCHOOL DIRECTORS ACCORDING TO THE PERFORMANCE
4 EXPECTATIONS FOR PUBLIC CHARTER SCHOOLS SET FORTH IN THIS ACT.

5 (3) THE STATUS OF THE LOCAL BOARD OF SCHOOL DIRECTORS'
6 CHARTER SCHOOL AND REGIONAL CHARTER SCHOOL PORTFOLIO,
7 IDENTIFYING ALL PUBLIC CHARTER SCHOOLS IN EACH OF THE FOLLOWING
8 CATEGORIES: (I) APPROVED, BUT NOT OPEN; (II) OPEN AND OPERATING;
9 AND (III) CLOSED, INCLUDING THE YEAR CLOSED AND THE REASON FOR
10 CLOSURE.

11 (4) THE AUTHORIZING FUNCTIONS PROVIDED BY THE LOCAL BOARD OF
12 SCHOOL DIRECTORS TO THE PUBLIC CHARTER SCHOOLS AND REGIONAL
13 CHARTER SCHOOLS UNDER ITS PURVIEW, INCLUDING THE AUTHORIZER'S
14 OPERATING COSTS AND EXPENSES DETAILED IN ANNUAL AUDITED
15 FINANCIAL STATEMENTS THAT CONFORM TO GENERALLY ACCEPTED
16 ACCOUNTING PRINCIPLES.

17 (B) THE DEPARTMENT SHALL BE RESPONSIBLE FOR THE FOLLOWING:

18 (1) OVERSIGHT OF THE PERFORMANCE OF EACH ESTABLISHED LOCAL
19 BOARD OF SCHOOL DIRECTORS.

20 (2) FORMAL EVALUATION OF THE OVERALL STATE CHARTER SCHOOL
21 PROGRAM AND OUTCOMES EVERY FIVE YEARS.

22 (3) FOR EACH LOCAL BOARD OF SCHOOL DIRECTORS AN ANNUAL
23 REVIEW, BASED ON OBJECTIVE DATA, TO DETERMINE HOW WELL IT IS
24 EXERCISING ITS DUTIES AND MAINTAINING A PORTFOLIO OF HIGH-
25 PERFORMING CHARTER SCHOOLS.

26 (4) IN REVIEWING OR EVALUATING THE PERFORMANCE OF EACH LOCAL
27 BOARD OF SCHOOL DIRECTORS, THE DEPARTMENT SHALL APPLY NATIONALLY
28 RECOGNIZED PRINCIPLES AND STANDARDS OF QUALITY CHARTER SCHOOL
29 AUTHORIZING INCLUDING, BUT NOT LIMITED TO, THOSE OF THE NATIONAL
30 ASSOCIATION OF CHARTER SCHOOL AUTHORIZERS.

1 (C) THE DEPARTMENT SHALL PUBLISH THE ANNUAL REVIEWS ON ITS
2 PUBLICLY ACCESSIBLE INTERNET WEBSITE AND SUBMIT A SUMMARY REPORT
3 REGARDING PERFORMANCE TO THE GOVERNOR AND THE GENERAL ASSEMBLY.

4 (D) (1) BY NOVEMBER 30, 2014, THE DEPARTMENT SHALL DEVELOP
5 A PLAN FOR SANCTIONING LOCAL BOARDS OF SCHOOL DIRECTORS THAT
6 MAINTAIN PORTFOLIOS WITH PERSISTENTLY LOW-PERFORMING CHARTER
7 SCHOOLS AND REGIONAL CHARTER SCHOOLS AND FAIL TO PROVIDE
8 ADEQUATE OVERSIGHT OR INTERVENTION THAT MAY INCLUDE A CORRECTIVE
9 ACTION PLAN AND OTHER SANCTIONS DEEMED NECESSARY BY THE
10 DEPARTMENT.

11 (2) THE DEPARTMENT MUST ISSUE ITS PLAN FOR SANCTIONING LOCAL
12 BOARDS OF SCHOOL DIRECTORS TO THE PRESIDENT PRO TEMPORE OF THE
13 SENATE, THE MAJORITY LEADER AND MINORITY LEADER OF THE SENATE,
14 THE EDUCATION COMMITTEE OF THE SENATE, THE SPEAKER OF THE HOUSE
15 OF REPRESENTATIVES, THE MAJORITY LEADER AND MINORITY LEADER OF
16 THE HOUSE OF REPRESENTATIVES AND THE EDUCATION COMMITTEE OF THE
17 HOUSE OF REPRESENTATIVES.

18 (3) THE PLAN FOR SANCTIONING LOCAL BOARDS OF SCHOOL
19 DIRECTORS DEVELOPED BY THE DEPARTMENT SHALL NOT GO INTO EFFECT
20 UNLESS THE PLAN FOR SANCTIONING LOCAL BOARDS OF SCHOOL DIRECTORS
21 IS APPROVED BY AN ACT OF THE GENERAL ASSEMBLY.

22 SECTION 16. SECTION 1729-A(A), (B) AND (C) OF THE ACT, ADDED
23 JUNE 19, 1997 (P.L.225, NO.22), ARE AMENDED TO READ:

24 SECTION 1729-A. CAUSES FOR NONRENEWAL OR TERMINATION.--(A)
25 DURING THE TERM OF THE CHARTER OR AT THE END OF THE TERM OF THE
26 CHARTER, THE LOCAL BOARD OF SCHOOL DIRECTORS MAY CHOOSE TO
27 REVOKE OR NOT TO RENEW THE CHARTER BASED ON ANY OF THE
28 FOLLOWING:

29 (1) ONE OR MORE MATERIAL VIOLATIONS OF ANY OF THE
30 CONDITIONS, STANDARDS OR PROCEDURES CONTAINED IN THE WRITTEN

1 CHARTER SIGNED PURSUANT TO SECTION 1720-A.

2 (2) FAILURE TO MEET THE REQUIREMENTS FOR STUDENT PERFORMANCE
3 [SET FORTH IN 22 PA. CODE CH. 5 (RELATING TO CURRICULUM) OR
4 SUBSEQUENT REGULATIONS PROMULGATED TO REPLACE 22 PA. CODE CH. 5]
5 ON ASSESSMENTS OR FAILURE TO MEET ANY PERFORMANCE STANDARD SET
6 FORTH IN THE WRITTEN CHARTER SIGNED PURSUANT TO SECTION [1716-A]
7 1720-A.

8 (3) FAILURE TO MEET GENERALLY ACCEPTED STANDARDS OF FISCAL
9 MANAGEMENT OR AUDIT REQUIREMENTS.

10 (4) VIOLATION OF PROVISIONS OF THIS ARTICLE.

11 (5) VIOLATION OF ANY PROVISION OF LAW FROM WHICH THE CHARTER
12 SCHOOL ENTITY HAS NOT BEEN EXEMPTED, INCLUDING FEDERAL LAWS AND
13 REGULATIONS GOVERNING CHILDREN WITH DISABILITIES.

14 [(6) THE CHARTER SCHOOL HAS BEEN CONVICTED OF FRAUD.]

15 * * *

16 (B) [A MEMBER OF THE BOARD OF TRUSTEES WHO IS CONVICTED OF A
17 FELONY OR ANY CRIME INVOLVING MORAL TURPITUDE SHALL BE
18 IMMEDIATELY DISQUALIFIED FROM SERVING ON THE BOARD OF TRUSTEES.]
19 IF, AFTER A HEARING UNDER THIS SECTION, A LOCAL BOARD OF SCHOOL
20 DIRECTORS OR, IN THE CASE OF A CYBER CHARTER SCHOOL, THE
21 DEPARTMENT PROVES BY A PREPONDERANCE OF THE EVIDENCE THAT AN
22 ADMINISTRATOR OR BOARD MEMBER OF A CHARTER SCHOOL ENTITY HAS
23 VIOLATED THIS ARTICLE, THE TERMS AND CONDITIONS OF THE CHARTER
24 OR ANY OTHER LAW, THE LOCAL BOARD OF SCHOOL DIRECTORS OR, IN THE
25 CASE OF A CYBER CHARTER SCHOOL, THE DEPARTMENT MAY REQUIRE THE
26 CHARTER SCHOOL ENTITY TO REPLACE THE ADMINISTRATOR OR BOARD OF
27 TRUSTEES MEMBER IN ORDER TO OBTAIN RENEWAL OF THE CHARTER. THE
28 LOCAL BOARD OF SCHOOL DIRECTORS OR, IN THE CASE OF A CYBER
29 CHARTER SCHOOL, THE DEPARTMENT MAY REFER ITS FINDINGS TO THE
30 DISTRICT ATTORNEY WITH JURISDICTION OR TO THE OFFICE OF ATTORNEY

1 GENERAL FOR PROSECUTION IF THE LOCAL BOARD OF SCHOOL DIRECTORS
2 OR, IN THE CASE OF A CYBER CHARTER SCHOOL, THE DEPARTMENT
3 DISCOVERS OR RECEIVES INFORMATION ABOUT POSSIBLE VIOLATIONS OF
4 LAW BY ANY PERSON AFFILIATED WITH OR EMPLOYED BY A CHARTER
5 SCHOOL ENTITY.

6 (C) ANY NOTICE OF REVOCATION OR NONRENEWAL OF A CHARTER
7 GIVEN BY THE LOCAL BOARD OF SCHOOL DIRECTORS OF A SCHOOL
8 DISTRICT SHALL STATE THE GROUNDS FOR SUCH ACTION WITH REASONABLE
9 SPECIFICITY AND GIVE REASONABLE NOTICE TO THE [GOVERNING] BOARD
10 OF TRUSTEES OF THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL OF
11 THE DATE ON WHICH A PUBLIC HEARING CONCERNING THE REVOCATION OR
12 NONRENEWAL WILL BE HELD. THE LOCAL BOARD OF SCHOOL DIRECTORS
13 SHALL CONDUCT SUCH HEARING, PRESENT EVIDENCE IN SUPPORT OF THE
14 GROUNDS FOR REVOCATION OR NONRENEWAL STATED IN ITS NOTICE AND
15 GIVE THE CHARTER SCHOOL OR REGIONAL CHARTER SCHOOL REASONABLE
16 OPPORTUNITY TO OFFER TESTIMONY BEFORE TAKING FINAL ACTION.
17 FORMAL ACTION REVOKING OR NOT RENEWING A CHARTER SHALL BE TAKEN
18 BY THE LOCAL BOARD OF SCHOOL DIRECTORS HELD AT A PUBLIC MEETING
19 PURSUANT TO [THE ACT OF JULY 3, 1986 (P.L.388, NO.84), KNOWN AS
20 THE "SUNSHINE ACT,"] 65 PA.C.S. CH. 7 (RELATING TO OPEN
21 MEETINGS) AFTER THE PUBLIC HAS HAD THIRTY (30) DAYS TO PROVIDE
22 COMMENTS TO THE BOARD. ALL PROCEEDINGS OF THE LOCAL BOARD
23 PURSUANT TO THIS SUBSECTION SHALL BE SUBJECT TO 2 PA.C.S. CH. 5
24 SUBCH. B (RELATING TO PRACTICE AND PROCEDURE OF LOCAL AGENCIES).
25 EXCEPT AS PROVIDED IN SUBSECTION (D), THE DECISION OF THE LOCAL
26 BOARD SHALL NOT BE SUBJECT TO 2 PA.C.S. CH. 7 SUBCH. B (RELATING
27 TO JUDICIAL REVIEW OF LOCAL AGENCY ACTION).

28 * * *

29 SECTION 17. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:
30 SECTION 1729.1-A. EVALUATION OF EDUCATORS.-- (A) ALL

1 APPLICATIONS BY A CHARTER SCHOOL ENTITY FOR A CHARTER OR FOR THE
2 RENEWAL OF A CHARTER SHALL INCLUDE A SYSTEM OF EVALUATION FOR
3 EDUCATORS THAT INCLUDES:

4 (1) AT LEAST FOUR (4) RATING CATEGORIES OF EDUCATOR
5 PERFORMANCE; AND

6 (2) MULTIPLE MEASURES OF STUDENT PERFORMANCE WHICH SHALL
7 INCLUDE, BUT MAY NOT BE LIMITED TO, VALUE-ADDED ASSESSMENT
8 SYSTEM DATA MADE AVAILABLE BY THE DEPARTMENT UNDER SECTION 221
9 AND STUDENT PERFORMANCE ON THE MOST RECENT ASSESSMENTS FOR WHICH
10 RESULTS HAVE BEEN RELEASED BY THE DEPARTMENT AND MAY INCLUDE
11 GOALS SPECIFIC TO THE MISSION OF THE CHARTER SCHOOL ENTITY'S
12 CHARTER.

13 (B) NOTHING IN THIS SECTION SHALL PREEMPT THE POWERS OF A
14 BOARD OF TRUSTEES UNDER SECTION 1716-A(A) NOR AFFECT THE INTENT
15 OF THE GENERAL ASSEMBLY PROVIDED IN SECTION 1702-A(3) AND (4).

16 (C) FOR PURPOSES OF THIS SECTION, THE TERM "EDUCATOR" SHALL
17 INCLUDE ALL PROFESSIONAL EMPLOYEES WHO ARE CERTIFIED AS TEACHERS
18 AND NONCERTIFIED STAFF MEMBERS WHO TEACH IN A CHARTER SCHOOL
19 ENTITY.

20 SECTION 1729.2-A. MULTIPLE CHARTER SCHOOL ORGANIZATIONS.--

21 (A) A MULTIPLE CHARTER SCHOOL ORGANIZATION APPROVED BY THE
22 SECRETARY UNDER THIS SECTION SHALL BE:

23 (1) GRANTED LEGAL AUTHORITY TO OPERATE TWO (2) OR MORE
24 INDIVIDUAL CHARTER SCHOOLS ESTABLISHED UNDER THE REQUIREMENTS OF
25 SECTION 1717-A, UNDER THE MANAGEMENT OF A SINGLE BOARD OF
26 TRUSTEES AND A CHIEF ADMINISTRATOR, SUBJECT TO THE OVERSIGHT OF
27 THE AUTHORIZING SCHOOL DISTRICT FOR EACH CHARTER SCHOOL INCLUDED
28 IN THE MULTIPLE CHARTER SCHOOL ORGANIZATION;

29 (2) SUBJECT TO ALL OF THE REQUIREMENTS OF THIS ARTICLE,
30 UNLESS OTHERWISE PROVIDED FOR UNDER THIS SECTION; AND

1 (3) THE HOLDER OF THE CHARTER OF EACH INDIVIDUAL CHARTER
2 SCHOOL WITHIN THE ORGANIZATION.

3 (B) SUBJECT TO THE REQUIREMENTS OF THIS SECTION AND 15
4 PA.C.S. PT. II SUBPT. C (RELATING TO NONPROFIT CORPORATIONS),
5 TWO (2) OR MORE CHARTER SCHOOLS MAY CONSOLIDATE INTO A MULTIPLE
6 CHARTER SCHOOL ORGANIZATION PURSUANT TO THE FOLLOWING:

7 (1) EACH CHARTER SCHOOL SEEKING TO CONSOLIDATE PURSUANT TO
8 THIS SECTION SHALL SUBMIT AN APPLICATION FOR CONSOLIDATION TO
9 THE DEPARTMENT AND TO THE AUTHORIZING SCHOOL DISTRICT FOR EACH
10 CHARTER SCHOOL INCLUDED IN THE PROPOSED CONSOLIDATION. THE
11 APPLICATION MUST BE SUBMITTED TO THE DEPARTMENT AND TO ALL
12 AUTHORIZING SCHOOL DISTRICTS ON THE SAME DAY.

13 (2) A SCHOOL DISTRICT THAT RECEIVES AN APPLICATION FOR
14 CONSOLIDATION UNDER PARAGRAPH (1) MAY OBJECT TO THE PROPOSED
15 CONSOLIDATION BY FILING A STATEMENT OF ITS OBJECTIONS TO THE
16 APPLICATION WITH THE DEPARTMENT AND EACH CHARTER SCHOOL INCLUDED
17 IN THE PROPOSED CONSOLIDATION WITHIN THIRTY (30) DAYS OF THE
18 SUBMISSION DATE. IF AN AUTHORIZING SCHOOL DISTRICT DOES NOT FILE
19 A STATEMENT OF ITS OBJECTIONS WITHIN THIRTY (30) DAYS OF THE
20 SUBMISSION DATE, THE AUTHORIZING SCHOOL DISTRICT SHALL BE DEEMED
21 TO ASSENT TO THE APPLICATION.

22 (3) WITHIN THIRTY (30) DAYS OF ITS RECEIPT OF A SCHOOL
23 DISTRICT'S STATEMENT OF ITS OBJECTIONS UNDER PARAGRAPH (2), THE
24 DEPARTMENT SHALL CONDUCT A HEARING TO CONSIDER THE APPLICATION
25 AND THE SCHOOL DISTRICT'S OBJECTIONS. THE HEARING REQUIRED UNDER
26 THIS PARAGRAPH SHALL BE CONDUCTED BY AN IMPARTIAL HEARING
27 OFFICER APPOINTED BY THE GOVERNOR'S OFFICE OF GENERAL
28 COUNSEL. IN CONDUCTING THE HEARING, THE HEARING OFFICER MAY
29 REQUEST THAT THE AUTHORIZING SCHOOL DISTRICTS AND THE CHARTER
30 SCHOOLS INCLUDED IN THE PROPOSED CONSOLIDATION PROVIDE ANY

1 SUPPLEMENTAL INFORMATION THE HEARING OFFICER DEEMS NECESSARY IN
2 CONSIDERING THE APPLICATION AND THE SCHOOL DISTRICT'S
3 OBJECTIONS.

4 (4) WITHIN SIXTY (60) DAYS OF THE HEARING CONDUCTED PURSUANT
5 TO PARAGRAPH (3), THE HEARING OFFICER SHALL SUBMIT TO THE
6 SECRETARY A REPORT STATING THE HEARING OFFICER'S RECOMMENDATIONS
7 CONCERNING THE APPLICATION.

8 (5) (I) SUBJECT TO SUBPARAGRAPH (II), WITHIN SIXTY (60)
9 DAYS FOLLOWING RECEIPT OF THE REPORT, THE SECRETARY SHALL ISSUE
10 A DECISION AND SERVE THE DECISION ON ALL CHARTER SCHOOLS
11 INCLUDED IN THE PROPOSED CONSOLIDATION AND THE AUTHORIZING
12 SCHOOL DISTRICT FOR EACH CHARTER SCHOOL INCLUDED IN THE PROPOSED
13 CONSOLIDATION. IN ISSUING A DECISION, THE SECRETARY SHALL
14 CONSIDER ONLY WHETHER THE PROPOSED CONSOLIDATION IS IN
15 COMPLIANCE WITH SUBSECTION (C).

16 (II) IF NO AUTHORIZING SCHOOL DISTRICT FOR ANY CHARTER
17 INCLUDED IN THE PROPOSED CONSOLIDATION FILES A STATEMENT OF ITS
18 OBJECTIONS WITH THE DEPARTMENT WITHIN THIRTY (30) DAYS OF THE
19 SUBMISSION DATE, THE SECRETARY SHALL ISSUE THE DECISION REQUIRED
20 UNDER SUBPARAGRAPH (I) WITHIN SIXTY (60) DAYS OF THE SUBMISSION
21 DATE. IN ISSUING A DECISION UNDER THIS SUBPARAGRAPH, THE
22 SECRETARY MAY REQUEST THAT THE AUTHORIZING SCHOOL DISTRICTS AND
23 THE CHARTER SCHOOLS INCLUDED IN THE PROPOSED CONSOLIDATION
24 PROVIDE ANY SUPPLEMENTAL INFORMATION THE SECRETARY DEEMS
25 NECESSARY IN CONSIDERING THE APPLICATION.

26 (6) A DECISION OF THE SECRETARY UNDER THIS SECTION MAY BE
27 APPEALED TO THE COMMONWEALTH COURT UNDER 2 PA.C.S. (RELATING TO
28 ADMINISTRATIVE LAW AND PROCEDURE).

29 (7) A PROPOSED CONSOLIDATION UNDER THIS SECTION SHALL NOT
30 REQUIRE COURT APPROVAL UNDER 20 PA.C.S. CH. 77 (RELATING TO

1 TRUSTS).

2 (C) A CHARTER SCHOOL THAT, WITHIN EITHER OF THE TWO (2)
3 SCHOOL YEARS IMMEDIATELY PRECEDING THE SUBMISSION DATE, HAS
4 FAILED TO MEET THE REQUIREMENTS FOR STUDENT PERFORMANCE
5 SPECIFIED IN 22 PA. CODE CH. 4 (RELATING TO ACADEMIC STANDARDS
6 AND ASSESSMENT), ACCEPTED STANDARDS OF FISCAL MANAGEMENT OR
7 AUDIT REQUIREMENTS OR PERFORMANCE STANDARDS OF THE MATRIX
8 ESTABLISHED UNDER SECTION 1731.1-A SHALL NOT BE ELIGIBLE TO
9 CONSOLIDATE WITH ANOTHER CHARTER SCHOOL, UNLESS THE
10 CONSOLIDATION INCLUDES A CHARTER SCHOOL DEMONSTRATING THAT IT
11 HAS SATISFIED THE REQUIREMENTS FOR THE MOST RECENT TWO (2)
12 SCHOOL YEARS.

13 (D) A MULTIPLE CHARTER SCHOOL ORGANIZATION MAY:

14 (1) PARTICIPATE IN THE ASSESSMENT SYSTEM IN THE SAME MANNER
15 IN WHICH A SCHOOL DISTRICT PARTICIPATES, WITH ITS INDIVIDUAL
16 CHARTER SCHOOLS WITHIN THE ORGANIZATION PARTICIPATING IN THE
17 ASSESSMENT SYSTEM IN THE SAME MANNER AS INDIVIDUAL SCHOOLS
18 WITHIN SCHOOL DISTRICTS. ALL DATA GATHERED FOR PURPOSES OF
19 EVALUATION SHALL BE GATHERED IN THE SAME MANNER IN WHICH DATA IS
20 GATHERED IN THE CASE OF SCHOOL DISTRICTS AND INDIVIDUAL SCHOOLS
21 WITHIN SCHOOL DISTRICTS. NOTHING IN THIS PARAGRAPH SHALL BE
22 CONSTRUED TO ALTER THE MANNER IN WHICH CHARTER SCHOOL
23 PERFORMANCE ON ASSESSMENTS IS MEASURED AS REQUIRED UNDER THE NO
24 CHILD LEFT BEHIND ACT OF 2001 (PUBLIC LAW 107-110, 115 STAT.
25 1425), OR ITS SUCCESSOR FEDERAL STATUTE.

26 (2) ALLOW A STUDENT ENROLLED IN A CHARTER SCHOOL WITHIN THE
27 ORGANIZATION TO MATRICULATE TO ANOTHER CHARTER SCHOOL WITHIN THE
28 ORGANIZATION SO AS TO COMPLETE A COURSE OF INSTRUCTION IN AN
29 EDUCATIONAL INSTITUTION FROM KINDERGARTEN THROUGH GRADE TWELVE
30 OR OTHERWISE IN THE BEST INTERESTS OF THE STUDENT.

1 (3) ADD EXISTING CHARTER SCHOOLS TO THE ORGANIZATION
2 PURSUANT TO THE PROCEDURE SPECIFIED IN SUBSECTION (B). ONLY A
3 CHARTER SCHOOL ALREADY ESTABLISHED UNDER SECTION 1717-A MAY BE
4 ADDED TO A MULTIPLE CHARTER SCHOOL ORGANIZATION.

5 (E) THE CHARTER OF EACH INDIVIDUAL CHARTER SCHOOL WITHIN A
6 MULTIPLE CHARTER SCHOOL ORGANIZATION SHALL BE SUBJECT TO
7 NONRENEWAL OR REVOCATION BY THE AUTHORIZING SCHOOL DISTRICT FOR
8 THE INDIVIDUAL CHARTER SCHOOL PURSUANT TO SECTION 1729-A. THE
9 NONRENEWAL OR REVOCATION OF THE CHARTER OF AN INDIVIDUAL CHARTER
10 SCHOOL WITHIN A MULTIPLE CHARTER SCHOOL ORGANIZATION SHALL NOT
11 AFFECT THE STATUS OF THE CHARTER OF ANY OTHER INDIVIDUAL CHARTER
12 SCHOOL WITHIN THE ORGANIZATION.

13 (F) THE DEPARTMENT SHALL DEVELOP AND PLACE ON ITS PUBLICLY
14 ACCESSIBLE INTERNET WEBSITE A STANDARD APPLICATION FORM THAT
15 CHARTER SCHOOLS SHALL USE IN APPLYING FOR CONSOLIDATION UNDER
16 THIS SECTION. THE APPLICATION FORM SHALL CONTAIN THE FOLLOWING
17 INFORMATION:

18 (1) THE NAME OF THE MULTIPLE CHARTER SCHOOL ORGANIZATION.

19 (2) THE NAMES OF THE CHARTER SCHOOLS INCLUDED IN THE
20 PROPOSED CONSOLIDATION.

21 (3) A COPY OF THE APPROVED CHARTER OF EACH CHARTER SCHOOL
22 INCLUDED IN THE PROPOSED CONSOLIDATION.

23 (4) AN ORGANIZATIONAL CHART CLEARLY PRESENTING THE PROPOSED
24 GOVERNANCE STRUCTURE OF THE MULTIPLE CHARTER SCHOOL
25 ORGANIZATION, INCLUDING LINES OF AUTHORITY AND REPORTING BETWEEN
26 THE BOARD OF TRUSTEES, CHIEF ADMINISTRATOR, ADMINISTRATORS,
27 STAFF AND ANY EDUCATIONAL MANAGEMENT SERVICE PROVIDER THAT WILL
28 PLAY A ROLE IN PROVIDING MANAGEMENT SERVICES TO THE CHARTER
29 SCHOOLS WITHIN THE PROPOSED ORGANIZATION.

30 (5) A CLEAR DESCRIPTION OF THE ROLES AND RESPONSIBILITIES

1 FOR THE BOARD OF TRUSTEES, CHIEF ADMINISTRATOR, ADMINISTRATORS
2 AND ANY OTHER ENTITIES, INCLUDING A CHARTER SCHOOL FOUNDATION,
3 SHOWN IN THE ORGANIZATIONAL CHART.

4 (6) A CLEAR DESCRIPTION OF THE METHOD FOR THE APPOINTMENT OR
5 ELECTION OF MEMBERS OF THE BOARD OF TRUSTEES OF THE PROPOSED
6 ORGANIZATION.

7 (7) STANDARDS FOR BOARD OF TRUSTEES PERFORMANCE WHICH SHALL,
8 AT A MINIMUM, INCLUDE COMPLIANCE WITH ALL APPLICABLE LAWS,
9 REGULATIONS AND TERMS OF THE CHARTER OF EACH CHARTER SCHOOL
10 INCLUDED IN THE PROPOSED ORGANIZATION.

11 (8) ENROLLMENT PROCEDURES FOR EACH CHARTER SCHOOL INCLUDED
12 IN THE PROPOSED ORGANIZATION.

13 (9) ANY OTHER INFORMATION AS DEEMED NECESSARY BY THE
14 DEPARTMENT.

15 (G) SUBJECT TO SUBSECTION (A), NOTHING IN THIS SECTION SHALL
16 BE CONSTRUED TO AFFECT OR CHANGE THE TERMS OR CONDITIONS OF THE
17 CHARTERS OF ANY INDIVIDUAL CHARTER SCHOOLS THAT ARE CONSOLIDATED
18 UNDER THIS SECTION, INCLUDING, BUT NOT LIMITED TO, ANY
19 OBLIGATION OF A SCHOOL DISTRICT TO PROVIDE TRANSPORTATION FOR
20 STUDENTS ENROLLED IN AN INDIVIDUAL CHARTER SCHOOL WITHIN A
21 MULTIPLE CHARTER SCHOOL ORGANIZATION.

22 (H) AS USED IN THIS SECTION, THE FOLLOWING WORDS AND PHRASES
23 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SUBSECTION UNLESS
24 THE CONTEXT CLEARLY INDICATES OTHERWISE:

25 "AUTHORIZING SCHOOL DISTRICT." THE SCHOOL DISTRICT THAT
26 GRANTED THE INITIAL CHARTER OF A CHARTER SCHOOL.

27 "CHARTER SCHOOL." A CHARTER SCHOOL OR REGIONAL CHARTER
28 SCHOOL.

29 "DECISION." THE SECRETARY'S WRITTEN APPROVAL OR REJECTION OF
30 AN APPLICATION FOR CONSOLIDATION.

1 "MULTIPLE CHARTER SCHOOL ORGANIZATION" OR "ORGANIZATION." A
2 MULTIPLE CHARTER SCHOOL ORGANIZATION ESTABLISHED UNDER THIS
3 SECTION.

4 "SUBMISSION DATE." THE DATE ON WHICH A CONSOLIDATION
5 APPLICATION IS SUBMITTED TO THE DEPARTMENT AND THE AUTHORIZING
6 SCHOOL DISTRICT FOR EACH CHARTER SCHOOL INCLUDED IN A PROPOSED
7 CONSOLIDATION.

8 SECTION 1731.1-A PERFORMANCE MATRIX.--(A) WITHIN ONE (1)
9 YEAR OF THE EFFECTIVE DATE OF THIS SECTION, THE STATE BOARD OF
10 EDUCATION SHALL DEVELOP A STANDARD PERFORMANCE MATRIX TO
11 EVALUATE CHARTER SCHOOL ENTITY PERFORMANCE. WITHIN ONE (1) YEAR
12 OF THE EFFECTIVE DATE OF THIS SECTION, THE STATE BOARD OF
13 EDUCATION SHALL ALSO PROPOSE REGULATIONS PURSUANT TO THE ACT OF
14 JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS THE "REGULATORY REVIEW
15 ACT," TO IMPLEMENT THIS SECTION.

16 (B) THE PERFORMANCE MATRIX SHALL ASSESS PERFORMANCE BY
17 UTILIZING OBJECTIVE CRITERIA, INCLUDING, BUT NOT LIMITED TO:
18 STUDENT PERFORMANCE ON ASSESSMENTS; ANNUAL GROWTH AS MEASURED BY
19 THE PENNSYLVANIA VALUE-ADDED ASSESSMENT SYSTEM; ATTENDANCE;
20 ATTRITION RATES; GRADUATION RATES; OTHER STANDARDIZED TEST
21 SCORES; SCHOOL SAFETY; PARENT SATISFACTION; ACCREDITATION BY A
22 NATIONALLY RECOGNIZED ACCREDITATION AGENCY, INCLUDING THE MIDDLE
23 STATES ASSOCIATION OF COLLEGES AND SCHOOLS OR ANOTHER REGIONAL
24 INSTITUTIONAL ACCREDITING AGENCY RECOGNIZED BY THE UNITED STATES
25 DEPARTMENT OF EDUCATION OR AN EQUIVALENT FEDERALLY RECOGNIZED
26 BODY FOR CHARTER SCHOOL EDUCATION; AND OTHER MEASURES OF SCHOOL
27 QUALITY, INCLUDING MEASURES FOR ASSESSING TEACHER EFFECTIVENESS.

28 (C) IN DEVELOPING THE PERFORMANCE MATRIX, THE STATE BOARD OF
29 EDUCATION SHALL DETERMINE AN ACADEMIC QUALITY BENCHMARK THE
30 SATISFACTION OF WHICH SHALL QUALIFY A CHARTER SCHOOL ENTITY FOR

1 A TEN (10) YEAR RENEWAL TERM PURSUANT TO SECTIONS 1720-A(A) (2)
2 AND 1745-A(F) (3). THE ACADEMIC QUALITY BENCHMARK SHALL BE
3 INCLUDED IN THE REGULATIONS REQUIRED UNDER SUBSECTION (A).

4 (D) IN DEVELOPING THE PERFORMANCE MATRIX, THE STATE BOARD OF
5 EDUCATION MAY CONTRACT FOR CONSULTING SERVICES WITH AN ENTITY
6 THAT HAS EXPERIENCE IN DEVELOPING PERFORMANCE MATRICES IF THE
7 SERVICES ARE PROCURED THROUGH A COMPETITIVE BIDDING PROCESS.

8 (E) NEITHER THE DEPARTMENT NOR THE LOCAL BOARD OF SCHOOL
9 DIRECTORS MAY DEVELOP A SEPARATE PERFORMANCE MATRIX FOR THE
10 EVALUATION OF A CHARTER SCHOOL ENTITY.

11 (F) A LOCAL BOARD OF SCHOOL DIRECTORS SHALL UTILIZE THE
12 STANDARD PERFORMANCE MATRIX AS A PRIMARY FACTOR IN EVALUATING
13 NEW AND RENEWAL CHARTER SCHOOL AND REGIONAL CHARTER SCHOOL
14 APPLICANTS AND IN ANNUAL MONITORING AND EVALUATION OF CHARTER
15 SCHOOLS AND REGIONAL CHARTER SCHOOLS.

16 (G) THE DEPARTMENT SHALL UTILIZE THE STANDARD PERFORMANCE
17 MATRIX AS A PRIMARY FACTOR IN EVALUATING NEW AND RENEWAL CYBER
18 CHARTER SCHOOL APPLICANTS, IN EVALUATING CONSOLIDATION
19 APPLICATIONS UNDER SECTION 1729.2-A AND IN ANNUAL MONITORING AND
20 EVALUATION OF CYBER CHARTER SCHOOLS.

21 (H) IN DEVELOPING THE PERFORMANCE MATRIX AND PROMULGATING
22 THE REGULATIONS REQUIRED UNDER SUBSECTION (A), THE STATE BOARD
23 OF EDUCATION SHALL CONVENE AND CONSULT WITH A STATEWIDE ADVISORY
24 COMMITTEE WHICH SHALL CONSIST OF REPRESENTATIVES OF THE
25 DEPARTMENT AND A MINIMUM OF SEVEN (7) REPRESENTATIVES FROM
26 CHARTER SCHOOLS, REGIONAL CHARTER SCHOOLS, CYBER CHARTER
27 SCHOOLS, SCHOOL DISTRICT PERSONNEL AND INSTITUTIONS OF HIGHER
28 EDUCATION WITH EXPERIENCE IN THE OVERSIGHT OF CHARTER SCHOOLS.
29 MEMBERS OF THE COMMITTEE SHALL BE SELECTED TO BE REPRESENTATIVE
30 OF THE URBAN, RURAL AND SUBURBAN AREAS OF THIS COMMONWEALTH.

1 (I) THE STATEWIDE ADVISORY COMMITTEE REQUIRED TO BE CONVENED
2 UNDER SUBSECTION (H) SHALL BE CONVENED NOT LATER THAN THIRTY
3 (30) DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION AND SHALL
4 MEET REGULARLY TO FULFILL REQUIREMENTS OF THIS PARAGRAPH.

5 (J) THE DEPARTMENT SHALL DISTRIBUTE THE PERFORMANCE MATRIX
6 TO ALL SCHOOL DISTRICTS AND SHALL PUBLISH THE MATRIX ON THE
7 DEPARTMENT'S PUBLICLY ACCESSIBLE INTERNET WEBSITE.

8 SECTION 18. SECTION 1732-A OF THE ACT, AMENDED JUNE 29, 2002
9 (P.L.524, NO.88), IS AMENDED TO READ:

10 SECTION 1732-A. PROVISIONS APPLICABLE TO CHARTER SCHOOLS AND
11 REGIONAL CHARTER SCHOOLS.-- (A) CHARTER SCHOOLS AND REGIONAL
12 CHARTER SCHOOLS SHALL BE SUBJECT TO THE FOLLOWING:

13 SECTIONS 108, 110, 111, 321, 325, 326, 327, 431, 436, 443,
14 510, 518, 527, 708, 736, 737, 738, 739, 740, 741, 752, 753,
15 [755,] 771, 776, 777, 808, 809, 810, 1109, 1111, 1112(A),
16 1205.1, 1205.2, 1205.3, 1205.4, 1205.5, 1301, 1302, 1303, 1310,
17 1317, 1317.1, 1317.2, 1317.3, 1318, 1327, 1330, 1332, 1333,
18 1303-A, 1513, 1517, 1518, 1521, 1523, 1531, 1547, 2014-A,
19 ARTICLE XIII-A AND ARTICLE XIV.

20 ACT OF JULY 19, 1957 (P.L.1017, NO.451), KNOWN AS THE "STATE
21 ADVERSE INTEREST ACT."

22 ACT OF JULY 17, 1961 (P.L.776, NO.341), KNOWN AS THE
23 "PENNSYLVANIA FAIR EDUCATIONAL OPPORTUNITIES ACT."

24 ACT OF JULY 19, 1965 (P.L.215, NO.116), ENTITLED "AN ACT
25 PROVIDING FOR THE USE OF EYE PROTECTIVE DEVICES BY PERSONS
26 ENGAGED IN HAZARDOUS ACTIVITIES OR EXPOSED TO KNOWN DANGERS IN
27 SCHOOLS, COLLEGES AND UNIVERSITIES."

28 SECTION 4 OF THE ACT OF JANUARY 25, 1966 (1965 P.L.1546,
29 NO.541), ENTITLED "AN ACT PROVIDING SCHOLARSHIPS AND PROVIDING
30 FUNDS TO SECURE FEDERAL FUNDS FOR QUALIFIED STUDENTS OF THE

1 COMMONWEALTH OF PENNSYLVANIA WHO NEED FINANCIAL ASSISTANCE TO
2 ATTEND POSTSECONDARY INSTITUTIONS OF HIGHER LEARNING, MAKING AN
3 APPROPRIATION, AND PROVIDING FOR THE ADMINISTRATION OF THIS
4 ACT."

5 ACT OF JULY 12, 1972 (P.L.765, NO.181), ENTITLED "AN ACT
6 RELATING TO DRUGS AND ALCOHOL AND THEIR ABUSE, PROVIDING FOR
7 PROJECTS AND PROGRAMS AND GRANTS TO EDUCATIONAL AGENCIES, OTHER
8 PUBLIC OR PRIVATE AGENCIES, INSTITUTIONS OR ORGANIZATIONS."

9 ACT OF DECEMBER 15, 1986 (P.L.1595, NO.175), KNOWN AS THE
10 "ANTIHAZING LAW."

11 65 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).

12 65 PA.C.S. CH. 11 (RELATING TO ETHICS STANDARDS AND FINANCIAL
13 DISCLOSURE).

14 (B) CHARTER SCHOOLS AND REGIONAL CHARTER SCHOOLS SHALL BE
15 SUBJECT TO THE FOLLOWING PROVISIONS OF 22 PA. CODE:

16 [SECTION 5.216 (RELATING TO ESOL).

17 SECTION 5.4 (RELATING TO GENERAL POLICIES).]

18 CHAPTER 4 (RELATING TO ACADEMIC STANDARDS AND ASSESSMENTS).

19 CHAPTER 11 (RELATING TO PUPIL ATTENDANCE).

20 CHAPTER 12 (RELATING TO STUDENTS).

21 SECTION 32.3 (RELATING TO ASSURANCES).

22 SECTION 121.3 (RELATING TO DISCRIMINATION PROHIBITED).

23 SECTION 235.4 (RELATING TO PRACTICES).

24 SECTION 235.8 (RELATING TO CIVIL RIGHTS).

25 CHAPTER 711 (RELATING TO CHARTER SCHOOL SERVICES AND PROGRAMS
26 FOR CHILDREN WITH DISABILITIES).

27 (C) (1) THE SECRETARY MAY PROMULGATE ADDITIONAL REGULATIONS
28 RELATING TO CHARTER SCHOOLS AND REGIONAL CHARTER SCHOOLS.

29 (2) THE SECRETARY SHALL HAVE THE AUTHORITY AND THE
30 RESPONSIBILITY TO ENSURE THAT CHARTER SCHOOLS AND REGIONAL

1 CHARTER SCHOOLS COMPLY WITH FEDERAL LAWS AND REGULATIONS
2 GOVERNING CHILDREN WITH DISABILITIES. THE SECRETARY SHALL
3 PROMULGATE REGULATIONS TO IMPLEMENT THIS PROVISION.

4 SECTION 19. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

5 SECTION 1733-A. EFFECT ON EXISTING CHARTER SCHOOL
6 ENTITIES.-- (A) WITHIN ONE (1) YEAR OF THE EFFECTIVE DATE OF
7 THIS SECTION, A CHARTER SCHOOL ENTITY ESTABLISHED UNDER SECTION
8 1717-A, 1718-A OR 1745-A PRIOR TO THE EFFECTIVE DATE OF THIS
9 SECTION SHALL AMEND THE CURRENT CHARTER THROUGH THE AMENDMENT
10 PROCESS UNDER SECTIONS 1720-A(C) AND 1745-A(F) (5) AS NEEDED TO
11 REFLECT THE REQUIREMENTS OF THIS ARTICLE. ANY RENEWAL THAT TAKES
12 EFFECT AFTER JULY 15, 2013, SHALL BE FOR THE TERM SPECIFIED
13 UNDER SECTIONS 1720-A(A) AND 1745-A(F) (3).

14 (B) A CHARTER SCHOOL ENTITY APPROVED AFTER THE EFFECTIVE
15 DATE OF THIS SECTION SHALL BE IN FULL COMPLIANCE WITH THIS
16 ARTICLE.

17 (C) WITHIN SIXTY (60) DAYS OF THE EFFECTIVE DATE OF THIS
18 SECTION, EACH CHARTER SCHOOL ENTITY SHALL DEMONSTRATE TO THE
19 SATISFACTION OF THE LOCAL BOARD OF SCHOOL DIRECTORS OR, IN THE
20 CASE OF A CYBER CHARTER SCHOOL, TO THE SATISFACTION OF THE
21 DEPARTMENT THAT THE CHARTER SCHOOL ENTITY IS IN COMPLIANCE WITH
22 SECTIONS 1332 AND 1333, INCLUDING THE INSTITUTION OF TRUANCY
23 PROCEEDINGS WHEN REQUIRED UNDER SECTION 1333.

24 SECTION 20. SECTIONS 1741-A(C), 1742-A AND 1743-A(E) OF THE
25 ACT, ADDED JUNE 29, 2002 (P.L.524, NO.88), ARE AMENDED TO READ:
26 SECTION 1741-A. POWERS AND DUTIES OF DEPARTMENT.

27 * * *

28 (C) DOCUMENTS.--DOCUMENTS OF THE APPEAL BOARD SHALL BE
29 SUBJECT TO [THE ACT OF JUNE 21, 1957 (P.L.390, NO.212), REFERRED
30 TO AS THE RIGHT-TO-KNOW LAW.] THE ACT OF FEBRUARY 14, 2008

1 (P.L.6, NO.3), KNOWN AS THE RIGHT-TO-KNOW LAW.

2 SECTION 1742-A. ASSESSMENT AND EVALUATION.

3 THE DEPARTMENT SHALL:

4 (1) ANNUALLY ASSESS WHETHER EACH CYBER CHARTER SCHOOL IS
5 MEETING THE GOALS OF ITS CHARTER AND IS IN COMPLIANCE WITH
6 THE PROVISIONS OF THE CHARTER AND CONDUCT A COMPREHENSIVE
7 REVIEW PRIOR TO GRANTING A [FIVE-YEAR] RENEWAL OF THE CHARTER
8 FOR THE PERIOD SPECIFIED IN SECTION 1745-A(F)(3).

9 (2) ANNUALLY REVIEW EACH CYBER CHARTER SCHOOL'S
10 PERFORMANCE ON THE PENNSYLVANIA SYSTEM OF SCHOOL ASSESSMENT
11 TEST, STANDARDIZED TESTS AND OTHER PERFORMANCE INDICATORS TO
12 ENSURE COMPLIANCE WITH 22 PA. CODE CH. 4 (RELATING TO
13 ACADEMIC STANDARDS AND ASSESSMENT) OR SUBSEQUENT REGULATIONS
14 PROMULGATED TO REPLACE 22 PA. CODE CH. 4.

15 (3) HAVE ONGOING ACCESS TO ALL RECORDS, INSTRUCTIONAL
16 MATERIALS AND STUDENT AND STAFF RECORDS OF EACH CYBER CHARTER
17 SCHOOL AND TO EVERY CYBER CHARTER SCHOOL FACILITY TO ENSURE
18 THE CYBER CHARTER SCHOOL IS IN COMPLIANCE WITH ITS CHARTER
19 AND THIS SUBDIVISION.

20 SECTION 1743-A. CYBER CHARTER SCHOOL REQUIREMENTS AND

21 PROHIBITIONS.

22 * * *

23 (E) STUDENTS.--FOR EACH STUDENT ENROLLED, A CYBER CHARTER
24 SCHOOL SHALL:

25 (1) PROVIDE ALL INSTRUCTIONAL MATERIALS, WHICH MAY
26 INCLUDE ELECTRONIC OR DIGITAL BOOKS IN PLACE OF TEXTBOOKS;

27 (2) PROVIDE ALL EQUIPMENT, INCLUDING, BUT NOT LIMITED
28 TO, A COMPUTER, COMPUTER MONITOR AND PRINTER; AND

29 (3) PROVIDE OR REIMBURSE FOR ALL TECHNOLOGY AND SERVICES
30 NECESSARY FOR THE ON-LINE DELIVERY OF THE CURRICULUM AND

1 INSTRUCTION.
2 THE COMMONWEALTH SHALL NOT BE LIABLE FOR ANY REIMBURSEMENT OWED
3 TO STUDENTS, PARENTS OR GUARDIANS BY A CYBER CHARTER SCHOOL
4 UNDER PARAGRAPH (3).

5 * * *

6 SECTION 21. SECTION 1745-A(C), (E) AND (F) OF THE ACT, ADDED
7 JUNE 29, 2002 (P.L.524, NO.88), ARE AMENDED AND THE SECTION IS
8 AMENDED BY ADDING A SUBSECTION TO READ:

9 SECTION 1745-A. ESTABLISHMENT OF CYBER CHARTER SCHOOL.

10 * * *

11 (B.1) LOCAL BOARD OF SCHOOL DIRECTORS OR INTERMEDIATE
12 UNIT.--

13 (1) A CYBER CHARTER SCHOOL MAY BE ESTABLISHED BY A LOCAL
14 BOARD OF SCHOOL DIRECTORS OR AN INTERMEDIATE UNIT IF THE
15 PROCEDURES AND REQUIREMENTS OF THIS ARTICLE ARE SATISFIED.

16 (2) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO
17 PRECLUDE A SCHOOL DISTRICT OR AN INTERMEDIATE UNIT FROM
18 OFFERING INSTRUCTION VIA THE INTERNET OR OTHER ELECTRONIC
19 MEANS, EXCEPT THAT THE INSTRUCTION SHALL NOT BE RECOGNIZED AS
20 A CYBER CHARTER SCHOOL UNDER THIS ARTICLE UNLESS THE SCHOOL
21 DISTRICT OR INTERMEDIATE UNIT ESTABLISHES A CYBER CHARTER
22 SCHOOL PURSUANT TO SUBSECTIONS (A) AND (B.1)(1).

23 (C) ATTENDANCE.--ATTENDANCE AT A CYBER CHARTER SCHOOL SHALL
24 SATISFY REQUIREMENTS FOR COMPULSORY ATTENDANCE, SUBJECT TO
25 PENALTIES FOR VIOLATIONS OF COMPULSORY ATTENDANCE REQUIREMENTS
26 UNDER SECTION 1333.

27 * * *

28 (E) GRANT OR DENIAL.--WITHIN 120 DAYS OF RECEIPT OF AN
29 APPLICATION, THE DEPARTMENT SHALL GRANT OR DENY THE APPLICATION.
30 THE DEPARTMENT SHALL REVIEW THE APPLICATION AND SHALL HOLD AT

1 LEAST ONE PUBLIC HEARING UNDER 65 PA.C.S. CH. 7 (RELATING TO
2 OPEN MEETINGS). AT LEAST 30 DAYS PRIOR TO THE HEARING, THE
3 DEPARTMENT SHALL PUBLISH IN THE PENNSYLVANIA BULLETIN AND ON THE
4 DEPARTMENT'S [WORLD WIDE WEB SITE] PUBLICLY ACCESSIBLE INTERNET
5 WEBSITE NOTICE OF THE HEARING AND THE PURPOSE OF THE
6 APPLICATION.

7 (F) EVALUATION CRITERIA.--

8 (1) A CYBER CHARTER SCHOOL APPLICATION SUBMITTED UNDER
9 THIS SUBDIVISION SHALL BE EVALUATED BY THE DEPARTMENT BASED
10 ON THE FOLLOWING CRITERIA:

11 (I) THE DEMONSTRATED, SUSTAINABLE SUPPORT FOR THE
12 CYBER CHARTER SCHOOL PLAN BY TEACHERS, PARENTS [OR],
13 GUARDIANS AND STUDENTS.

14 (II) THE CAPABILITY OF THE CYBER CHARTER SCHOOL
15 APPLICANT, IN TERMS OF SUPPORT AND PLANNING, TO PROVIDE
16 COMPREHENSIVE LEARNING EXPERIENCES TO STUDENTS UNDER THE
17 CHARTER.

18 (III) THE EXTENT TO WHICH THE PROGRAMS OUTLINED IN
19 THE APPLICATION WILL ENABLE STUDENTS TO MEET THE ACADEMIC
20 STANDARDS UNDER 22 PA. CODE CH. 4 (RELATING TO ACADEMIC
21 STANDARDS AND ASSESSMENT) OR SUBSEQUENT REGULATIONS
22 PROMULGATED TO REPLACE 22 PA. CODE CH. 4.

23 (IV) THE EXTENT TO WHICH THE APPLICATION MEETS THE
24 REQUIREMENTS OF SECTION 1747-A.

25 (V) THE EXTENT TO WHICH THE CYBER CHARTER SCHOOL MAY
26 SERVE AS A MODEL FOR OTHER PUBLIC SCHOOLS.

27 (2) WRITTEN NOTICE OF THE ACTION OF THE DEPARTMENT SHALL
28 BE SENT BY CERTIFIED MAIL TO THE APPLICANT AND PUBLISHED ON
29 THE DEPARTMENT'S [WORLD WIDE WEB SITE] PUBLICLY ACCESSIBLE
30 INTERNET WEBSITE. IF THE APPLICATION IS DENIED, THE REASONS

1 FOR DENIAL, INCLUDING A DESCRIPTION OF DEFICIENCIES IN THE
2 APPLICATION, SHALL BE CLEARLY STATED IN THE NOTICE.

3 (3) UPON APPROVAL OF A CYBER CHARTER SCHOOL APPLICATION,
4 A WRITTEN CHARTER SHALL BE DEVELOPED WHICH SHALL CONTAIN THE
5 PROVISIONS OF THE CHARTER APPLICATION AND BE SIGNED BY THE
6 SECRETARY AND EACH MEMBER OF THE BOARD OF TRUSTEES OF THE
7 CYBER CHARTER SCHOOL. THE CHARTER, WHEN DULY SIGNED, SHALL
8 ACT AS LEGAL AUTHORIZATION OF THE ESTABLISHMENT OF A CYBER
9 CHARTER SCHOOL. THE CHARTER SHALL BE LEGALLY BINDING ON THE
10 DEPARTMENT, THE CYBER CHARTER SCHOOL AND ITS BOARD OF
11 TRUSTEES. THE CHARTER [SHALL BE FOR A PERIOD OF NO LESS THAN
12 THREE YEARS NOR MORE THAN FIVE YEARS AND MAY BE RENEWED FOR A
13 PERIOD OF FIVE YEARS BY THE DEPARTMENT.] TERM SHALL BE AS
14 FOLLOWS:

15 (I) AN INITIAL CHARTER GRANTED PURSUANT TO THIS
16 SECTION SHALL BE FOR A PERIOD OF FIVE YEARS.

17 (II) PRIOR TO THE EFFECTIVE DATE OF THE REGULATIONS
18 IMPLEMENTING THE PERFORMANCE MATRIX AS REQUIRED PURSUANT
19 TO SECTION 1731.1-A, A CHARTER MAY BE RENEWED FOR FIVE-
20 YEAR PERIODS UPON REAUTHORIZATION BY THE DEPARTMENT.

21 (III) UPON THE EFFECTIVE DATE OF THE REGULATIONS
22 IMPLEMENTING THE PERFORMANCE MATRIX AS REQUIRED PURSUANT
23 TO SECTION 1731.1-A, THE FOLLOWING SHALL APPLY:

24 (A) FOR CYBER CHARTER SCHOOLS THAT HAVE
25 SATISFIED THE ACADEMIC QUALITY BENCHMARK ESTABLISHED
26 BY THE STATE BOARD OF EDUCATION PURSUANT TO SECTION
27 1731.1-A, A CHARTER MAY BE RENEWED FOR TEN-YEAR
28 PERIODS UPON REAUTHORIZATION BY THE DEPARTMENT.

29 (B) FOR CYBER CHARTER SCHOOLS THAT HAVE NOT
30 SATISFIED THE ACADEMIC QUALITY BENCHMARK ESTABLISHED

1 BY THE STATE BOARD OF EDUCATION PURSUANT TO SECTION
2 1731.1-A, A CHARTER MAY BE RENEWED FOR FIVE-YEAR
3 PERIODS UPON REAUTHORIZATION BY THE DEPARTMENT.

4 (4) THE DECISION OF THE DEPARTMENT TO DENY AN
5 APPLICATION MAY BE APPEALED TO THE APPEAL BOARD.

6 (5) (I) A CYBER CHARTER SCHOOL MAY REQUEST AMENDMENTS
7 TO ITS APPROVED WRITTEN CHARTER BY FILING WITH THE DEPARTMENT
8 A WRITTEN DOCUMENT DESCRIBING THE REQUESTED AMENDMENT.

9 (II) WITHIN 20 DAYS OF ITS RECEIPT OF THE REQUEST
10 FOR AN AMENDMENT, THE DEPARTMENT SHALL HOLD A PUBLIC
11 HEARING ON THE REQUESTED AMENDMENT UNDER 65 PA.C.S. CH. 7
12 (RELATING TO OPEN MEETINGS).

13 (III) WITHIN 20 DAYS AFTER THE HEARING, THE
14 DEPARTMENT SHALL GRANT OR DENY THE REQUESTED AMENDMENT.
15 FAILURE BY THE DEPARTMENT TO HOLD A PUBLIC HEARING AND TO
16 GRANT OR DENY THE AMENDMENTS WITHIN THE TIME PERIOD
17 SPECIFIED SHALL BE DEEMED AN APPROVAL.

18 (IV) AN APPLICANT FOR AN AMENDMENT SHALL HAVE THE
19 RIGHT TO APPEAL THE DENIAL OF A REQUESTED AMENDMENT TO
20 THE APPEAL BOARD PROVIDED FOR UNDER SECTION 1721-A.

21 * * *

22 SECTION 22. SECTION 1749-A(A) OF THE ACT, ADDED JUNE 29,
23 2002 (P.L.524, NO.88), IS AMENDED TO READ:
24 SECTION 1749-A. APPLICABILITY OF OTHER PROVISIONS OF THIS ACT
25 AND OF OTHER ACTS AND REGULATIONS.

26 (A) GENERAL REQUIREMENTS.--CYBER CHARTER SCHOOLS SHALL BE
27 SUBJECT TO THE FOLLOWING:

28 (1) SECTIONS 108, 110, 111, 321, 325, 326, 327, 431,
29 436, 443, 510, 518, 527, 708, 736, 737, 738, 739, 740, 741,
30 752, 753, [755,] 771, 776, 777, 808, 809, 810, 1109, 1111,

1 1112(A), 1205.1, 1205.2, 1205.3, 1205.5, 1301, 1302, 1303,
2 1310, 1317, 1317.2, 1318, 1327, 1330, 1332, 1333, 1303-A,
3 1513, 1517, 1518, 1521, 1523, 1525, 1531, 1547, 1602-B, 1613-
4 B, 1702-A, 1703-A, 1714-A, 1715-A, 1716-A, 1716.2-A, 1719-A,
5 1721-A, 1722-A, 1723-A(A) AND (B), 1724-A, 1725-A, 1727-A,
6 1728-A(D), (E), (F), (G) AND (H), 1729-A, 1729.1-A, 1730-A,
7 1731-A(A) (1) AND (B), 1731.1-A, 1733-A AND 2014-A AND
8 ARTICLES [XII-A,] XIII-A AND XIV.

9 (1.1) THE ACT OF JULY 19, 1957 (P.L.1017, NO.451), KNOWN
10 AS THE STATE ADVERSE INTEREST ACT.

11 (2) THE ACT OF JULY 17, 1961 (P.L.776, NO.341), KNOWN AS
12 THE PENNSYLVANIA FAIR EDUCATIONAL OPPORTUNITIES ACT.

13 (3) THE ACT OF JULY 19, 1965 (P.L.215, NO.116), ENTITLED
14 "AN ACT PROVIDING FOR THE USE OF EYE PROTECTIVE DEVICES BY
15 PERSONS ENGAGED IN HAZARDOUS ACTIVITIES OR EXPOSED TO KNOWN
16 DANGERS IN SCHOOLS, COLLEGES AND UNIVERSITIES."

17 (4) SECTION 4 OF THE ACT OF JANUARY 25, 1966 (1965
18 P.L.1546, NO.541), ENTITLED "AN ACT PROVIDING SCHOLARSHIPS
19 AND PROVIDING FUNDS TO SECURE FEDERAL FUNDS FOR QUALIFIED
20 STUDENTS OF THE COMMONWEALTH OF PENNSYLVANIA WHO NEED
21 FINANCIAL ASSISTANCE TO ATTEND POSTSECONDARY INSTITUTIONS OF
22 HIGHER LEARNING, MAKING AN APPROPRIATION, AND PROVIDING FOR
23 THE ADMINISTRATION OF THIS ACT."

24 (5) THE ACT OF JULY 12, 1972 (P.L.765, NO.181) ENTITLED
25 "AN ACT RELATING TO DRUGS AND ALCOHOL AND THEIR ABUSE,
26 PROVIDING FOR PROJECTS AND PROGRAMS AND GRANTS TO EDUCATIONAL
27 AGENCIES, OTHER PUBLIC OR PRIVATE AGENCIES, INSTITUTIONS OR
28 ORGANIZATIONS."

29 (6) THE ACT OF DECEMBER 15, 1986 (P.L.1595, NO.175),
30 KNOWN AS THE ANTIHAZING LAW.

1 (7) 65 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS).

2 (8) 65 PA.C.S. CH. 11 (RELATING TO ETHICS STANDARDS AND
3 FINANCIAL DISCLOSURE).

4 * * *

5 SECTION 23. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

6 (1) THE FOLLOWING PROVISIONS SHALL TAKE EFFECT
7 IMMEDIATELY:

8 (I) THE ADDITION OF SECTION 1733-A OF THE ACT.

9 (II) THIS SECTION.

10 (2) THE ADDITION OF SECTION 1729.2-A OF THE ACT SHALL
11 TAKE EFFECT UPON THE EFFECTIVE DATE OF REGULATIONS
12 IMPLEMENTING THE PERFORMANCE MATRIX REQUIRED UNDER SECTION
13 1731.1-A OF THE ACT.

14 (3) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60
15 DAYS.