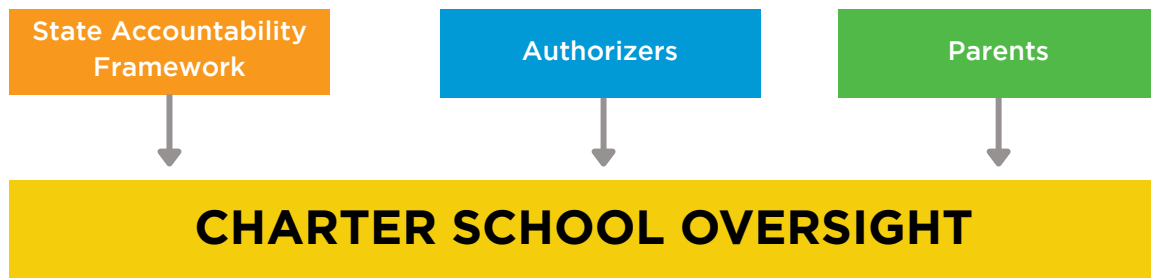


Charter School Accountability and Transparency

ACCOUNTABILITY

- As public schools, charter schools are required to administer state assessments like ILEARN and IREAD.
- Charter schools are subject to the same A-F grading scale as school corporations and non-public voucher participating schools.
 - Legislation in 2021 removed state-mandated consequences for all schools in the lowest two performance categories due to disruptions produced by the pandemic.
 - However, the legislature revisited this topic in 2025, charging the State Board of Education (SBOE) with implementing a new accountability model, a process that is ongoing.
- If at any time a charter school does not meet the requirements of the contract with its authorizer, the authorizer can close the school, unlike district public schools.
 - Over the last two decades, authorizers have closed or not renewed several dozens of schools.
- Unlike some district public schools, no student is forced to attend a charter school. Parents decide to send their child to a charter school because they believe it will be the best educational environment for their student. Many would argue that a satisfied customer, or a parent who continues to choose a charter school, is the ultimate form of accountability.



GOVERNANCE

- A charter school authorizer is defined in state law as one of the following:
 - Mayor of Indianapolis
 - 4-year state university
 - 4-year non-profit university
 - A district public school board
 - The Indiana Charter School Board
- A charter school organizer is defined in state law as a group or entity that:
 - is a non-profit corporation that is incorporated or registered in Indiana;
 - has been recognized by the IRS to be tax-exempt;
 - has an independent board with elected or selected members under the school's application; and
 - enters a contract with an authorizer to operate a charter school.
- An organizer must receive approval from an authorizer to start a charter school. The organizer is accountable to the authorizer to meet the terms of the agreement.

ROLES AND RESPONSABILITIES OF CHARTER AUTHORIZERS & ORGANIZERS

- An organizer's application for a charter school must contain detailed plans for the school, including: description of the organizational, management, and governance structure; educational mission goals, curriculum and instructional methods; budget and financial plans; personnel, transportation and discipline plans; and information about the school calendar and students to be served. (IC 20-24-3-4)
- An organizer must receive approval from an authorizer to start a charter school and is accountable to the authorizer to meet the terms of the agreement. (IC 20-24-9-4)
- No authorizer can grant a charter to a for-profit organizer. (IC 20-24-3-2)
- Authorizers are required to adopt standards of quality in charter authorizing, as defined by a nationally recognized organization with expertise in charter authorizing. (IC 20-24-2.2-1.5)

SBOE AUTHORITY AND INTERVENTION

- The SBOE has oversight of charter schools and charter authorizers in several capacities:
 - Authorizer Shopping
 - If a charter school's charter is revoked or not renewed by the current authorizer, that same school cannot be granted a new charter by another authorizer unless the SBOE approves.
 - If a new authorizer wishes to grant a charter, they must appear before the SBOE and present information indicating the proposal is substantively different in the areas of deficiency identified by the current authorizer. (IC 20-24-4-1.5)
 - New Authorizer Registration
 - Any entity (public school board, public and private colleges or universities) that was not already authorizing charter schools before July 1, 2015, must register with the SBOE before it can begin authorizing charter schools.
 - Required registration documents include information about the governing body's budget and capacity to authorize schools; a description of the performance framework that will be used to guide the establishment and oversight of charters; a draft of the board's renewal, revocation, and nonrenewal processes; and more.
 - Within 60 days of receiving a school board's request for authorizer registration, the SBOE shall grant authorizing authority to the school board. However, any private college or university that submits a registration application may be approved or denied by the SBOE. If approved, the SBOE grants an initial 6-year authorizing contract. (IC 20-24-2.2-1.2)
 - Evaluation of State of Charter Schools
 - The SBOE is required to conduct a review of charter schools across the state and report on the state of charter schools every 5 years. (IC 20-24-2.2-8)

TRANSPARENCY

- In addition to an audit by the State Board of Accounts (SBOA), charter schools are required to have a third-party financial audit completed every year using GAAP Accounting, unlike district public schools, which are only audited by the SBOA (a much less rigorous audit) every other year.
 - These audits are publicly available via the State Board of Accounts website.
 - Charter schools are required to be examined under IC 5-11-1-9. Starting in 2013, they were required to be examined annually to meet federal and state grant guidelines. IC 5-11-1-7(b) provides that the State Examiner can allow charter schools to engage private examiners to meet the examination requirements. The Guidelines for the Audits of Charter Schools Performed by Private Examiners were created by the SBOA and details the oversight responsibilities and procedures required for Charter School examinations. Those requirements have increased in burden and added cost to charter schools over recent years.

TRANSPARENCY (CONTINUED)

- Authorizers must conduct a public hearing before approving a charter application. (IC 20-24-3-5.5; 14; and 14.1)
- Authorizers must submit annual reports to the IDOE. The authorizer, IDOE, and SBOE are all required to publicly post the annual report on their respective websites. (IC 20-24-9-1)
- IDOE is required to have a charter school page on the department website that includes all authorizers and approved charter schools, as well as pending applications and other information. (IC 20-24-2.2-1)
- IC 35-44.1 prohibits conflicts of interest by creating a felony charge if a charter school leader or immediate family member has a financial interest in a company with which the charter school contracts or from which it purchases services. This is the same standard applied to traditional public schools.

NATIONAL RANKINGS

- Indiana continues to be recognized for having one of the strongest charter school laws in the nation. In the National Alliance for Public Charter Schools' (NAPCS) January 2022 report, Indiana ranked #1 in the nation for the strength of its charter school law, marking the seventh consecutive year the state held the top position.
 - According to NAPCS, "Indiana's law does not cap charter school growth, includes multiple authorizers, and provides a fair amount of autonomy and accountability. Indiana has also made notable strides in recent years to provide more equitable funding to charter schools, although work remains to be done."
- Several years ago, the National Association of Charter School Authorizers ranked Indiana #1 in the nation for authorizer accountability laws.

