

**PROPOSED REGULATION OF THE
STATE BOARD OF EDUCATION**

LCB FILE NO. R071-10

Section 1. Add new section to NAC 386 as follows:

1. Except as provided in subsection 2, a charter school shall enroll and provide instruction to pupils seeking enrollment throughout the entire school year of the charter school regardless of when the pupil seeks enrollment.

2. A charter school may limit its enrollment to a specific number if:

(a) The approved application of the charter school identifies a specific enrollment limit or a specific teacher to pupil ratio above which it shall not enroll pupils; or

(b) The facility occupied by the charter school has reached the maximum capacity as determined by building, fire or health authorities; or

(c) It has obtained from the Superintendent of Public Instruction a waiver from the requirement to enroll and provide instruction to pupils throughout the school year. A request for such a waiver must be submitted to the Department no later than the first day of the school year.

3. A charter school limiting enrollment pursuant to subsection 2(a) shall seek an amendment to the approved charter before enrolling pupils above the specific enrollment limit or specified teacher to pupil ratio. Any students enrolled above the specified enrollment limit or teacher to pupil ratio shall not be counted for apportionment purposes.

4. A charter school that obtains a waiver pursuant to subsection 2(c) due to a licensing or contractual arrangement with a software provider of the education program of the charter school shall maintain relevant documentation of additional fees required for new students by the software provider as well as the names of the pupils served by such educational program for the current school year.

5. The documentation required in subsection 3 may be required by the Superintendent of Public Instruction for the purpose of determining whether or not to grant a waiver from the requirement to enroll and provide instruction to pupils throughout the school year. The documentation required in subsection 3 is also subject to review as part of the verification of reports of enrollment and attendance pursuant to NRS 387.126 and the annual audit of the count of pupils for apportionment purposes pursuant to subsection 1 of NRS 387.304.

6. A charter school can appeal the denial by the Superintendent of Public Instruction of a waiver from the requirement to enroll and provide instruction to pupils throughout the school year to the State Board of Education.

7. A charter school shall maintain and have available for inspection an enrollment waiting list consisting of the names of pupils who sought enrollment but could not be enrolled due to enrollment limitations pursuant to subsection 2.

8. A charter school whose enrollment is limited pursuant to subsection 2 shall replace pupils who have withdrawn from the charter school using the lottery system described in the approved application of the charter school pursuant to NRS 386.580 and subsection 1 of NAC 386.180.

9. Pupils enrolled in the charter school after the last day of the first school month pursuant to subsection 4 shall not be used in the final adjustment for percentage enrollment gain pursuant to subsection 4 of NRS 387.1243.

Section 2. Add new section to NAC 386 as follows:

1. The proposed date of enrollment for the initial year of the charter school identified in the application pursuant to subsection 2(d) of NRS 386.520 must not be more than 120 days prior to the scheduled opening day of the charter school.

2. At least 30 days prior to the initial apportionment payment pursuant to NRS 387.124, the charter school shall provide:

(a) Enrollment forms for each student enrolled in the school containing the following:

(1) Last name, first name and middle initial of the pupil;

(2) Street address, telephone number and county of residence of the pupil;

(3) Date of birth of the pupil;

(4) Unique student identification number of the pupil, if available;

(5) Grade the pupil is entering; and

(6) Name and signature of the parent or legal guardian.

(b) An electronic database in a format approved by the Superintendent of Public Instruction including the information in (a) above.

3. The initial apportionment payment pursuant to NRS 387.124 will be based upon the documentation provided pursuant to subsection 2.

4. All enrolled students must be entered into the automated system of accountability information for Nevada required pursuant to NRS 386.650 no later than the last day of the first school month of the school year.

Section 3. NAC 386.180 Application to Form Charter School: Inclusion of Certain Miscellaneous Information

Application to form charter school: Inclusion of certain miscellaneous information. (NRS 386.520, 386.540) In addition to the items required pursuant to subsection 2 of NRS 386.520, an application submitted to the Department pursuant to that subsection by a committee to form a charter school must also include certain miscellaneous information concerning the proposed charter school, including, without limitation:

1. A description of the lottery system that the proposed charter school will use pursuant to NRS 386.580 if more eligible pupils apply for enrollment in the charter school than the number of spaces for pupils which are available.

2. The name, address, telephone number and, if applicable, the electronic mail address of the person selected to act as liaison pursuant to NAC 386.110.

3. Information concerning records of pupils that will be maintained by the proposed charter school in accordance with NAC 386.360, including, without limitation:

(a) The name and title of the person who will be responsible for:

(1) Maintaining records of pupils; and

(2) Providing records of pupils to the school district in which the charter school is located for inclusion in the automated system of accountability information for Nevada that is established and maintained by the Department pursuant to NRS 386.650.

(b) An example of the manner in which the cumulative record of a pupil is proposed to be stored.

(c) The proposed location within the charter school in which records of pupils will be stored.

(d) The name of the person who will be responsible for the records of pupils if the charter school is dissolved or the written charter of the charter school is not renewed.

(e) The policy of the charter school regarding the retention of the records of pupils.

4. A proposed budget that sets forth the estimated revenues and expenditures of the charter school for the first 2 years of operation, including, without limitation, the cost of insurance required by NAC 386.215. In addition, the proposed budget must be accompanied by a statement of cash flow and a budget for the period before the charter school commences operation.

5. A list of rules setting forth the policies of the charter school regarding truancy and other situations in which a pupil is absent from school.

6. If known at the time of application:

(a) The name of each *major* contractor, including, without limitation, an educational management organization, the board of trustees of a school district, the Nevada System of Higher Education and any business, corporation, organization or other entity, whether or not conducted for profit, with whom the committee to form the charter school or the proposed charter school intends to contract or is considering contracting with to provide any service to the charter school;

(b) A copy of ~~the format for~~ the contract that will be used for each contractor identified in paragraph (a) ~~if a particular format is anticipated at the time the application is submitted~~;

(c) The name of a contact person for each contractor identified in paragraph (a);

(d) The telephone number and mailing address of each contractor identified in paragraph (a); and

(e) A description of the service to be provided by the contractor.

7. If the application was prepared by a person who is not a member of the committee to form the charter school or by another entity, including, without limitation, an educational management organization, or if such a person or entity assisted the committee in preparing the application:

(a) The name of the person or entity;

(b) The name and location of any public school, private school or charter school with which the person or entity has been or is presently affiliated, including, without limitation, the street address and mailing address of that school;

(c) The dates on which the person or entity was affiliated with a school described in paragraph (b), if any such affiliation occurred;

(d) A statement indicating whether the person or entity is presently affiliated with a school described in paragraph (b) or has ceased the affiliation;

(e) If the affiliation has ceased, a statement indicating the reason for the cessation; and

(f) A detailed resume listing the qualifications of the person or entity.

Section 4. NAC 386.240 Issuance of Written Charter to Applicant Not Prepared to Commence Operation on Date of Issuance; Expiration, Effect and Contents of Charter; Supplemental Application

1. The board of trustees of a school district, a college or university within the Nevada System of Higher Education or the State Board of Education may issue a written charter pursuant to

subsection 7 of NRS 386.527 if the board of trustees, the college or university or the State Board, as applicable, determines that the applicant is not prepared to commence operation on the date of issuance of the written charter. A written charter issued pursuant to subsection 7 of NRS 386.527 expires on June 30 of the second fiscal year after the date of issuance and may be renewed for not more than 1 fiscal year upon showing of good cause to the sponsor. If a written charter is issued pursuant to subsection 7 of NRS 386.527, a governing body must be selected and the provisions of NRS 386.549 and NAC 386.345 apply to the governing body.

2. A written charter issued pursuant to subsection 7 of NRS 386.527 must include:

(a) A notation indicating the date on which the charter expires and indicating that the charter may be renewed for not more than 1 fiscal year;

(b) Each reason why the charter school is not prepared to commence operation on the date of issuance of the charter;

(c) The conditions that the governing body of the charter school must satisfy to convert the written charter issued pursuant to subsection 7 of NRS 386.527 to a written charter issued pursuant to subsection 5 of NRS 386.527;

(d) The tasks that must be accomplished by the governing body of the charter school before it may submit a supplemental application to convert the written charter issued pursuant to subsection 7 of NRS 386.527 to a written charter issued pursuant to subsection 5 of NRS 386.527, including, without limitation, the timeline by which those tasks must be accomplished; and

(e) A statement by the governing body of the charter school indicating that it understands that:

(1) To receive apportionments from the State Distributive School Account, the charter school must comply with NAC 386.355;

(2) The governing body shall not authorize the attendance of pupils at the charter school unless the charter school has obtained a written charter issued pursuant to subsection 5 of NRS 386.527; and

(3) The governing body must obtain the insurance required by NAC 386.215 before commencing operation as a charter school.

3. Before the expiration of a written charter issued pursuant to subsection 7 of NRS 386.527, the holder of the charter may submit a supplemental application to the sponsor requesting that the sponsor determine whether the charter school is eligible for a written charter issued pursuant to subsection 5 of NRS 386.527. The supplemental application must be submitted not less than 30 days before the expiration of the written charter issued pursuant to subsection 7 of NRS 386.527.

4. The board of trustees of a school district may delegate to the superintendent of the school district, the board of trustees of a college or university within the Nevada System of Higher Education may delegate to the president of the college or university within the Nevada System of Higher Education or the State Board of Education may delegate to the Superintendent of Public Instruction, the authority to issue a charter pursuant to subsection 5 of NRS 386.527 if:

(a) The board of trustees of a school district, a college or university within the Nevada System of Higher Education or the State Board of Education approves a charter pursuant to subsection 7 of NRS 386.527; and

(b) The only conditions which must be satisfied and the only tasks which must be accomplished relate to:

(1) The acquisition of a facility the charter school will occupy; or

(2) An inspection of the facility the charter school will occupy for meeting applicable building codes, codes for the prevention of fire, and codes pertaining to safety, health and sanitation; or

(3) The issuance of an insurance policy that meets the requirements of NAC 386.215.

5. If a charter is issued pursuant to subsection 4, a notice of issuance will be added as an information agenda item to:

(a) The next meeting of the board of trustees of the school district, if the sponsor is a school district; or

(b) The Board of Regents, if the sponsor is a college or university within the Nevada System of Higher Education; or

(c) The State Board of Education, if the sponsor is the State Board.

6. If a charter is issued pursuant to subsection 4, the following signatures must appear on the charter:

(a) The superintendent of the school district and the president of the board of trustees, if the sponsor is a school district; or

(b) The president of the college or university and the chairman of the Board of Regents, if the sponsor is a college or university within the Nevada System of Higher Education; or

(c) The Superintendent of Public Instruction and the President of the State Board of Education, if the sponsor is the State Board; and

(d) The president of the governing body of the charter school.

7. A charter for which conditions must be satisfied or tasks must be accomplished other than those in subsection 4 may only be approved by an action of the board of trustees of a school district or a college or university within the Nevada System of Higher Education, or the State Board of Education.

Section 5. NAC 386.320 Application for Renewal of Initial Charter: Verification of Contents; Consideration at Public Meeting (NRS 386.530, 386.540) If the sponsor of a charter school receives an application pursuant to subsection 2 of NRS 386.530 for renewal of the initial written charter of the charter school, the sponsor shall:

1. Within 30 days after receipt of the application, designate one or more employees of the school district, the college or the university, as applicable, or, if the State Board of Education is the sponsor, one or more employees of the Department, to verify the contents of the application by:

(a) Performing a physical inspection of the location of the charter school; and

(b) Interviewing the members of the governing body of the charter school and, when appropriate, the administrators and staff members of the charter school.

2. Within ~~90~~⁶⁰ days after receipt of the application, consider the application along with any reports generated by the employees of the school district, the college or the university or the Department, as applicable, pursuant to subsection 1 at a public meeting for which notice has been provided pursuant to chapter 241 of NRS.

Section 6. NAC 386.325 Request for and Approval of Amendment to Written Charter (NRS 386.527, 386.540)

1. If the governing body of a charter school determines that it is in the best interest of the charter school to amend the application approved by the sponsor and included as part of the written charter pursuant to

(a) NAC 386.200 for a charter approved by a board of trustees of a school district; or

(b) NAC 386.201 for a charter approved by a college or university within the Nevada System of Higher Education; or

(c) NAC 386.202 or NAC 386.203 for a charter approved by the State Board of Education, □the governing body shall request an amendment to its written charter pursuant to NRS 386.527.

2. For the purpose of subsection 1, the application includes, without limitation, the proposed system of governance required pursuant to subsection 2 of NRS 386.520 and any major contractor identified pursuant to subsection 6 of NAC 386.180.

3. If, pursuant to subsection 6 of NRS 386.527, the governing body of a charter school desires to expand instruction to pupils in grade levels other than the grade levels of pupils currently approved for enrollment and the expansion of grades does not change the kind of school, as defined in NRS 388.020, for which the charter school is authorized to operate, the charter school shall submit the following to the Department:

(a) A written description of the mission and goals, the time by which certain academic or educational results will be achieved and a description of how progress towards the mission and goals of the charter school will be measured, if they are different from those approved as part of the application, as amended, by the sponsor;

(b) The grade level or levels proposed to be added to the charter school and the projected enrollment in each such grade level for the first year in which the grade level is offered;

(c) The proposed curriculum, list of courses with a description of each course, schedule of classes which meet the requirements for the prescribed courses and required courses of study that are set forth in chapter 389 of NRS and chapter 389 of NAC, and the designation of the courses the pupil must complete for graduation and for promotion to each grade level for the grade levels the charter school is requesting to expand instruction to as part of the amendment request;

(d) The textbooks that will be used for the grade levels the charter school is requesting to expand instruction to as part of the amendment request;

(e) The qualifications of the persons who will provide instruction in the grade levels the charter school is requesting to expand instruction to as part of the amendment request;

(f) A schedule of examinations of achievement and proficiency that will be administered to pupils at the charter school resulting from the grade levels the charter school is requesting to expand instruction to as part of the amendment request, if they are different from those approved as part of the application, as amended, by the sponsor;

(g) Information regarding credit for courses completed successfully, including copies of transcripts and diplomas that the charter school will use to indicate that a pupil has completed course work successfully, if they are different from those approved as part of the application, as amended, by the sponsor;

(h) A description of the manner in which the charter school will provide services and programs to pupils with disabilities in accordance with the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400 et seq., and NRS 388.440 to 388.520, inclusive, if they are different from those approved as part of the application, as amended, by the sponsor;

(i) A budget that sets forth the estimated revenues and expenditures of the charter school for the first year of operation of the grade levels the charter school is requesting to expand instruction to as part of the amendment request;

4. *The information in subsection 3 must be submitted to the Department not less than 90 days before a regularly scheduled meeting of the sponsor of the charter school at which the charter school desires to have the amendment considered.*

5. *The Department shall review the amendment request submitted pursuant to subsection 3 to determine whether the request is complete and compliant with applicable statutes and regulations and provide written notice to the charter school of its determination within 30 days of receipt of the information required in subsection 3.*

6. *If the Department determines the amendment request submitted pursuant to subsection 3 is complete and compliant with applicable statutes and regulations, the Department shall submit the amendment to the sponsor for consideration at the meeting identified in subsection 4.*

7. *If the Department determines the amendment request submitted pursuant to subsection 3 is not complete or compliant with applicable statutes and regulations, the Department shall include the deficiencies in the written notice provided pursuant to subsection 5.*

8. *The charter school shall have 30 days to correct any deficiencies identified in the written notice provided pursuant to subsection 5 and resubmit the amendment request.*

9. *If the Department determines that the resubmission pursuant to subsection 8 is not complete and compliant with applicable statutes and regulations, the Department shall recommend the amendment not be considered by the sponsor of the charter school.*

10. *The charter school may appeal to the sponsor of the charter school for consideration of the amendment resubmission provided pursuant to subsection 8 at the meeting identified in subsection 4.*

11. *If the governing body of a charter school desires to provide instruction at a new or additional facility, or if the governing body of a charter school whose charter is approved pursuant to subsection 7 of NRS 386.527 identifies a facility necessary to satisfy the requirements of subsection 7 for issuance of a charter pursuant to subsection 5 of NRS 386.527, the following information must be submitted by the charter school to the sponsor of the charter school:*

(a) The type and address of the proposed facility;

(b) The floor plan, including a notation of the size of the facility which is set forth in square feet, of the proposed facility;

(c) The name and address of the owner of the proposed facility;

(d) An unsigned copy of the lease or rental agreement, if the proposed facility is to be leased or rented;

(e) A copy of the certificate of occupancy for the proposed facility;

(f) Documents which indicate the proposed facility has been inspected and meets the requirements of any applicable building codes, codes for the prevention of fire, and codes pertaining to safety, health and sanitation;

(g) Evidence documenting the governing body of the charter school has communicated with the Division of Industrial Relations of the Department of Business and Industry regarding compliance with the federal Occupational Safety and Health Act of 1970, as amended;

(h) Evidence required by the sponsor that the school has complied with the provisions of NAC 386.215 regarding the provision and maintenance of insurance coverage.

12. *The information identified in subsection 11 shall be submitted to the sponsor not less than 15 days before the school intends to provide instruction in the facility.*

13. The sponsor shall review the amendment request submitted pursuant to subsection 11 to determine whether the request is complete and compliant with applicable statutes and regulations and provide written notice to the charter school of its determination, including any deficiencies that must be corrected, within 10 days of receipt of the information required in subsection 11.

14. Until the sponsor determines that all the information required in subsection 11 is complete and compliant with applicable statutes and regulations, the charter school shall not allow pupils or provide instruction in the proposed facility.

15. If the governing body of a charter school requests an amendment to its written charter pursuant to NRS 386.527, the sponsor of the charter school may authorize its staff to approve the amendment to the charter as the sponsor deems appropriate.

Section 7. NAC 386.345 Governing body: Restrictions on membership; responsibilities; submission of certain information to Department and sponsor; approval of minutes of public meetings. (NRS 386.540, 386.549)

1. A majority of the members of the governing body of a charter school must reside in the county in which the charter school is located.

2. The membership of the governing body of a charter school shall not include:

(a) An employee of the governing body or charter school, including, without limitation, an administrator or teacher.

(b) Except as otherwise provided in this paragraph, any person who:

(1) Owns, operates, is employed by or receives compensation from a corporation, business, organization or other entity that enters into a contract with the governing body or charter school; or

(2) Is related by blood or marriage to a person described in subparagraph (1).

□ Pursuant to the requirements of NRS 332.800, a person described in this paragraph may serve on the governing body if he has entered into a contract with the governing body to provide goods or services to the charter school without profit or at no cost to the charter school. The governing body shall maintain documentation of the terms of such a contract.

3. If a person serves on the governing body of a charter school as a representative of a nonprofit organization or business, not more than one other member of the governing body may also serve as a representative of that organization or business or otherwise represent the interests of that organization or business. In no event may representatives of the same organization or business serving on the governing body constitute a majority of the members of the governing body.

4. Not later than 5 business days after the governing body of a charter school is selected, the governing body shall submit to the Department:

(a) The name and address of each member;

(b) The resume of each member;

(c) The state of residence of each member;

(d) If a member serves on the governing body as a teacher, as that term is defined in subsection 5 of NRS 386.549, a photocopy of his license to teach; and

(e) An affidavit of each member indicating that he:

(1) Has not been convicted of a felony or any offense involving moral turpitude; and

(2) Has read and understands material concerning the roles and responsibilities of members of governing bodies of charter schools and other material designed to assist the governing bodies of charter schools, if such material is provided to him by the Department,

□ as required pursuant to NRS 386.549.

5. *Pursuant to subsection 3 of NRS 386.549, the governing body of a charter school is a public body. The members of the governing body are public officers as defined by NRS 281A.160.*

6. The governing body of a charter school governs the charter school, maintains overall control of the charter school and is responsible for the operation of the charter school, including, without limitation, critically evaluating the performance of a contractor for the charter school and selecting another contractor if the contractor is not performing his duties or services in a satisfactory manner.

~~7[6].~~ Not later than 30 business days after each public meeting held by the governing body of a charter school pursuant to subsection 4 of NRS 386.549, the governing body shall submit to the Department and to the sponsor of the charter school a copy of the minutes of the meeting. The minutes of each public meeting must be approved at the next meeting of the governing body and revised as necessary.

~~8[7].~~ If the minutes of a meeting have not been approved by the governing body when it submits the minutes pursuant to subsection 6, the governing body shall:

(a) Submit a written statement, accompanying the minutes that are submitted pursuant to subsection 6, indicating that the minutes have not been approved and are subject to revision; and

(b) Submit to the Department and the sponsor of the charter school a copy of the approved minutes not later than 10 days after such approval.

(Added to NAC by Dep't of Education by R193-01, eff. 4-1-2002; A by R060-02, 12-17-2002; R045-05, 10-31-2005; R171-05, 2-23-2006; R169-07, 9-18-2008; R170-07, 9-18-2008)

Section 8. NAC 386.350 Governing body: Miscellaneous duties. (NRS 386.540) The governing body of a charter school shall ensure that:

1. Pupils who earn academic credit at the school can readily transfer that credit to a comparable school without penalty.

2. The educational services provided by the school to pupils with a disability comply with the requirements set forth in chapters 388 and 395 of NRS and NAC 388.150 to 388.450, inclusive.

3. The Department and the sponsor of the charter school receive, within 30 days after the first day of school, a list of the names and qualifications of all persons who are or will be employed by the charter school *or who are or will be provided by a contractor engaged by the governing body.*

4. Copies of the policies of the charter school concerning the attendance of pupils are:

(a) Distributed to each new pupil at the beginning of the school year and to each new pupil who enters school during the school year; and

(b) Available for public inspection at the school during the school's business hours.

5. If the charter school intends to offer automobile driver education classes, the governing body procures insurance as required pursuant to subsection 4 of NRS 389.090.

6. The written report required pursuant to subsection 2 of NRS 386.610 is received by the sponsor of the charter school not later than 60 days after the last day of instruction in the third year of operation of the charter school under its initial written charter.

7. Pupils enrolled in the charter school receive the following minimum numbers of minutes of instruction per day, including recess but excluding lunch:

(a) For pupils enrolled in kindergarten, 120 minutes.

(b) For pupils enrolled in grades 1 and 2, 240 minutes.

(c) For pupils enrolled in grades 3 to 6, inclusive, 300 minutes.

(d) For pupils enrolled in grades 7 to 12, inclusive, 330 minutes.

8. If the governing body requests that a pupil be transferred pursuant to subsection 4 of NRS 386.580, the governing body submits the request to the school district in which the charter school is located:

(a) Within 10 days after the governing body determines that the charter school is unable to provide an appropriate special education program and related services for the pupil; and

(b) Accompanied by an explanation of the facts and circumstances which led the governing body to determine that the charter school is unable to provide the appropriate special education program and related services for the pupil.

9. A person employed by the governing body is designated to verify to the school district in which the charter school is located that the information submitted to the school district pursuant to NRS 386.605 has been gathered in a format required by the school district.

10. The notification required pursuant to paragraph (m) of subsection 1 of NRS 386.550 indicating whether the charter school is accredited by the Commission on Schools of the Northwest Association of Schools and of Colleges and Universities is provided to parents and legal guardians of pupils enrolled in grades 9 to 12, inclusive, not later than 10 days after the first day of school of each school year.

Section 9. NAC 386.405 Contracts with educational management organizations: Terms; duties of governing body; reporting requirements; references to organization in written charter. (NRS 386.540, 386.590)

1. The governing body of a charter school shall not enter into a contract with an educational management organization for ~~[a]~~ *an initial* term of more than 2 years. Such a contract must allow the governing body to terminate the contract and must not prohibit the governing body from entering into a contract with another educational management organization. *Such a contract shall not be contingent upon any other contract, nor shall any other contract between the governing body and the educational management organization be contingent upon entering into or renewing the contract.* This subsection does not preclude a charter school from ~~[entering into another]~~ *renewing the* contract with the ~~[same]~~ educational management organization after the expiration of ~~[a]~~ *the* contract if the educational management organization has performed in a satisfactory manner. *Subsequent to the initial term, the governing body of a charter school may enter into a contract with the same educational management organization for a term not to exceed the remaining term of the written charter pursuant to subsection 5 of NRS 386.527.*

2. The governing body of a charter school shall approve the appointment, or any change to the appointment, of all key personnel for the charter school who are directly employed and provided by an educational management organization. Such approval must occur at a regularly scheduled public meeting of the governing body. If the administrative head of a charter school is provided by an educational management organization, information regarding that person must be provided to the Department in accordance with NAC 386.100. For purposes of this subsection, “key personnel” includes administrators who are employed pursuant to subsection 6 of NRS 386.590 and the person designated to draw all orders for the payment of money belonging to the charter school required by NRS 386.573.

3. If the governing body of a charter school enters into a contract with an educational management organization, the governing body shall, at least annually, review the performance of the educational management organization to determine whether the educational management

organization is performing in a manner that satisfies the terms and conditions of the written charter, including, without limitation, the satisfaction of the goals of the charter school. If the educational management organization is not performing in a satisfactory manner, the governing body shall require the educational management organization to prepare, in consultation with the governing body, a plan of corrective action for the educational management organization. The plan must include the steps which will be taken by the educational management organization to ensure that it performs in a manner which satisfies the terms and conditions of the written charter, including, without limitation, the satisfaction of the goals of the charter school.

4. *The evaluation required pursuant to subsection 3 shall be completed and provided to the governing body within 60 days of the end of each school year. The report shall and any applicable corrective action plan shall be forwarded to the sponsor and the Department within 120 days of the end of each school year.*

5. If the governing body of a charter school enters into a contract with an educational management organization, the governing body shall require the educational management organization to provide a written report to the sponsor of the charter school and to the governing body of the charter school not later than 15 business days after the end of each fiscal year during which the contract was in effect. The written report must *be in a format approved by the Superintendent of Public Instruction and* include:

(a) The amount of money received by the educational management organization from public and private sources to carry out the terms of the contract;

(b) The expenditures of the educational management organization relating to carrying out the contract, including, without limitation, the payment of salaries, benefits and bonuses; and

(c) An identification of each contract, transaction and agreement entered into by the educational management organization related to carrying out the contract with the charter school, including, without limitation, contracts, transactions and agreements with parent organizations, subsidiaries and partnerships of the educational management organization.

6. *The report required pursuant to subsection 5 must be submitted to the Department not later than 30 days after the end of the fiscal year.*

~~7[5]~~. If an educational management organization is identified in the written charter of a charter school, the inclusion of a reference to that particular educational management organization in the written charter does not preclude the governing body of the charter school from terminating or not renewing a contract entered into with that educational management organization. If the governing body terminates or does not renew such a contract, the governing body shall amend the written charter accordingly to remove any errant references to that educational management organization.