

New Hampshire
State Board of Education
Minutes of the Charter School Retreat - part 2
Meeting held via Zoom webinar due to the COVID-19 State of Emergency

AGENDA ITEM I. CALL TO ORDER

The NH State Board of Education Charter School Retreat meeting was convened by Drew Cline, Chair. The meeting was held via Zoom Webinar due to the COVID-19 state of emergency. Drew Cline presided as Chair.

Members present: Ann Lane, Sally Griffin, Richard Sala, Ryan Terrell and Drew Cline, Chair. Phil Nazzaro was able to join the retreat shortly after

AGENDA ITEM II. PLEDGE OF ALLEGIANCE

Drew Cline led the pledge of allegiance.

AGENDA ITEM III. Review of charter school reporting and accountability requirements

Drew Cline shared that this is a continuation of the October Charter School Retreat. A gap was identified, and a revision was passed. This retreat is for the purpose of looking at a gap in the rules for accountability. There is language in the law that allows State Board set rules for charter school reporting. There are rules for the annual reports, but not governing other reporting. The rules protect the charter schools, the Board, and the parents and students.

AGENDA ITEM IV. Gray areas where gaps exist in reporting and accountability

Nate Greene shared the statute 194.b10, which sets reporting requirement. Nate Greene and Jane Waterhouse have worked to get the annual report to match what was in the rules. They provide a template to ensure charter schools are reporting the correct information. Charter schools are required to submit an annual audit. The statute, under ii, includes a financial audit and report, but that information is included in the annual report, so a second report is not being requested. Drew Cline shared that this has been discussed as a proposed change in the legislature. The purpose of the review is to find any confusion in the law to be cleaned up.

Under iii, the statute mentions a first-year program audit. It is a valuable process for the first year. The statute also mentions an audit every three years and that has not historically been done. Charter schools already undergo an extensive renewal process, which could be redundant in information. Drew Cline commented that the rules can be created to get accountability information that would be valuable and not redundancy. Ann Lane asked if legislature could clarify

the intent of this requirement because it is not done for traditional public schools. Drew Cline shared that the requirement is old, and the current legislature may not have insight into the purpose.

Under 194.b3, charter schools are required to outline proposed accountability plan. This allows charter schools to create their own plan and there is a need for consistency to help the charter schools with a template and ensure it includes what the Board and DOE want to see in the plan. Drew Cline shared that there has been feedback that charter schools want some guidance. Ann Lane stated that the Board should look at stand out reporting and accountability plans from charters as a starting point in creating a template.

AGENDA ITEM V. Discussion of how the board wants to fill those gaps in:

A. Reporting

The Board reviewed Ed 318.16, charter school annual report requirements. There are 16 requirements total. The law requires the number of people served by the school and their respective tuition rates, a discussion of progress made towards the achievement of the school's academic and other goals set forth in its charter. These legal requirements must be in the rule. Drew Cline shared that the language of "a statement explaining how the school is meeting the goals of its mission statement" allows for some schools to provide very little information. Jane Waterhouse shared that the reports aren't listing the goals, just any progress that's been made. The Board suggested wording that would not be too prescriptive or vague. Drew Cline suggested that if an accountability plan spells out metrics and goals, there can be a requirement to report how they are doing on their accountability plan. Focusing on the mission statement could include a summary and progress toward their mission. Separating the mission and goals would help focus schools on both ideas. Nate Greene suggested the wording include academic and programmatic goals and the progress made toward achieving those goals. Number 1 would be mission statement and Number 2 would be academic and program goals.

Jane Waterhouse shared that she also includes organizational goals in her suggestions to schools. Organizational goals are made by the board of trustees on the organization as a whole. Programmatic would be just the educational program. The Board discussed adding organizational goals to the rule language in Number 2. The template would have the 3 types of goals separated with examples.

Ann Lane shared that Ed 318.17 states that the requirements cannot exceed what's required of New Hampshire public schools. Nate Greene shared that similar reporting for traditional public schools are listed in 193c. Drew Cline shared that charter schools have a different structure which requires a different method of reporting. Richard Sala put forward the idea that traditional schools are

not required to provide metrics. He also stated that a lack of bureaucratic oversight is synonymous with lack of oversight. Drew Cline asked for feedback on how the requirements are received at the school level.

Nate Greene shared that many charter schools have a unique mission and traditional metrics do not show their progress. Allowing different metrics allows charter schools to show their unique progress. The mission and goal reporting requirements are meaningful. Richard Sala asked if the schools typically included long and short-term goals or if that needs to be included in the requirements. Drew Cline shared that putting it in the rule would force that differentiation and not everyone thinks that way in the beginning. Jane Waterhouse shared that first-year goals are difficult to create. The progression of having short- and long-term goals is a natural process. Jane Waterhouse shared the need for training on writing and creating goals for administrators. Ann Lane concurred that the expectation is that yearly schools will assess where they are and provide a plan.

Formerly Number 2, now Number 3 requires information on board of trustees and bylaws. Drew Cline shared that may not be valuable in an annual report. Ann Lane commented that reading the bylaws of one school showed biases in their bylaws. Ryan Terrell asked if changing these things indicate issues that should be looked at by the Board. Sally Griffin suggested adding this requirement to Number 2 organizational goals. Richard Sala shared that he thinks this is something that could be taken out. Jane Waterhouse shared that this information is public record. Drew Cline shared that any problematic changes are typically reported by parents rather than in the annual report. Sally Griffin shared that removing the requirement altogether could result in a school not reporting they are operating with fewer board members until they are up for renewal.

The Board discussed requiring a list of board members rather than a report of every change. Parents can see this information on the school's website. Asking for it in the annual report is only for State Board members. Ryan Terrell suggested asking schools to include a link to where the information is publicly accessible. Nate Greene doesn't think that this part of the annual report isn't reviewed extensively. Instead, they assist schools as needed throughout the year. A bigger concern is ensuring that necessary information is made public. The Board discussed ways to raise awareness and provide support to help all meeting information is made public. Drew Cline shared that Number 2 will be removed.

Number 3 is in regard to disclose any recusal involving a trustee who's also an employee, agent or board member of a for profit entity with which the school contracts. Ann Lane asked if that would also be included in their meeting minutes. Drew Cline shared that it should be an asked if there is value in the state receiving this information. Nate Greene shared that this adds little to no value in the review due to the high specificity. The Board agreed to remove this rule.

Number 4 requires the report to include how the school is implementing all the requirements and any options allowed by RSA194.b8. It lists all required charter legal requirements. Drew Cline shared that the wording allows them to just include a sentence that they are meeting all requirements. Nate Greene shared that it is unreasonable to detail how they meet all state and federal legal requirements. A self-report is unlikely to reveal a problem. The Board agreed to remove this rule.

Number 5 asks for average daily membership. Nate Greene shared that this is used for state payments. This is something traditional public schools report as well. Drew Cline is if this is the most valuable way to look at enrollment. Ann Lane asked if there is anywhere else in the report if they are meeting their goals for enrollment. Nate Greene shared that it shows the number of days a student was enrolled in the school. There are other ways to look at enrollment and attendance. ADM is meant for payment structure. Drew Cline asked what information this number provides and what information might be more valuable. Nate Greene shared that this number could signify the amount of student movement in and out of the school. Information on enrollment may be a better metric. Richard Sala shared that overall enrollment is more useful. The Board discussed ways to get relevant enrollment numbers. Ann Lane asked to include if the charter schools are meeting their projections for enrollment. Drew Cline suggested requiring previous year's enrollment, current year's enrollment, and projected enrollment for the current academic year. The Board agreed on this change.

Number 6 requires the number of incidents that occurred on the school grounds and that required the intervention of local, state, or federal law enforcement. Drew Cline shared he finds this useful. Ann Lane shared that they already receive a yearly report that states all of the schools with incidents and what those incidents were. Drew Cline shared the three audiences for the annual report are the State Board of Education, the Department of Education, and parents. They are required to give a copy of the annual report to parents. Parents would not receive the other report of incidents. The Board agreed to leave this rule.

Number 7 requires the number of incident reports prepared under RSA 126.07 regarding restraints. Ann Lane asked if this could be combined with 6. Drew Cline suggested combining 7 and 8. Number 8 is the number of substantial incidents of bullying or cyber bullying as identified in RSA 193.06. These are reports they have to compile anyway and just have to put that number in the annual report. Nate Greene shared that a digital template may be created with open response areas, but automatically collect the data that is already provided in another place.

Number 9 asks for the percentage of students either promoted or graduated. Drew Cline shared he finds this useful because it is a way to show how well students are doing. Sally Griffin shared she finds this data useful. Ann Lane

asked if it would be reasonable to include post-secondary choices. Drew Cline responded that some schools may not know that information. Nate Greene shared that this would not be information that's easy to gather and would depend on the community. The Board discussed the relevance and usefulness in relation to the amount of time it would take to gather this information. The Board decided to discuss this with schools to find how feasible this requirement would be.

Number 10 requires a description of the community services available at the school's site. Jane Waterhouse shared that schools interpret this in different ways. A lot of schools talk about community services students engage in as required credits. Some schools report on how they open up the school to allow community organizations into their facility. Drew Cline responded that the wording is vague. Nate Greene shared that he hopes the Board can define this more narrowly because it is challenging to help charter schools interpret what is being required. Drew Cline shared that the intent most likely was to find opportunities available to the students. Ann Lane shared that she feels there's little value because it is very much based upon demographics unless it affects curriculum. Richard Sala shared that the three-year review should be a site visit because the annual report is already a paper report. The idea of community involvement would be better served from a site visit over a summary. The inclusion of community service does highlight that charter schools bring value to the community overall. Drew Cline suggested asking for a summary of the community involvement through the year. The Board agreed.

Number 11 asks for the school calendar including hours of operation. Drew Cline shared he finds this useful. The Board shared no concerns.

Number 12 asks for the total number of people enrolled during the previous school year. Drew Cline shared that this was already covered in a previous rule and this can be removed.

Number 13 requires transportation services available, if any. Drew Cline shared that information seems fair to include. There were no concerns.

Number 14 requires a financial statement setting forth revenue and expenditures for the year. Drew Cline stated schools are required separately to have an annual financial audit. The financial statement is different than the audit. He asked how this financial statement is different and what value it adds. Jane Waterhouse shared that the audit is a year behind and the financial statement provides the current year. The Board had no concerns.

Number 15 requires a balance sheet setting forth assets, liabilities and fund balances, equities, and projections on incomes and expenses. Jane Waterhouse shared that the projections are the budget for the following year. Ann Lane suggested changing it to ask for budget to eliminate questions. Drew Cline shared that the rule is very specific where budget is vaguer.

Richard Sala shared that he thinks 15 is unnecessary with 14 and 16. Drew Cline summarized that 14 is a financial statement for the year just ended, 15 is a balance sheet. A balance sheet shows where a school is financially overall. Phil Nazzaro shared that they show different information. Richard Sala asked about the public school equivalent. Nate Greene shared the closest equivalent is the DOE 25s that public schools have to fill out and send in. Charter schools generally also complete the DOE 25, but there is not statute requiring it. Richard Sala brought back the idea of not asking more of charter schools than public schools. Drew Cline shared that since charter schools don't get the same funding as public schools, the balance sheet helps show their financial management ability and if they need assistance. It is information they should have readily available.

The Board will seek additional info in comparison to the DOE 25. Richard Sala asked if it would be reasonable to ask for balance sheet or a DOE 25. Drew Cline suggested looking at both requirements side by side to compare before making a final decision. Nate Greene shared that it's been discussed adding the requirement to the legislature for charters to complete the DOE 25, which would theoretically eliminate some information in the annual report.

Drew Cline reviewed the revisions made. The list was revised from a 16 list to a 12-point list that is more focused on useful information. He asked if anyone felt anything was missing. There were no concerns expressed. The revised document will be given to Amanda Phelps to review and then it will be turned into an initial proposal.

Caitlin Davis shared information on the DOE 25 requirement. The DOE 25 doesn't include any budgeting. The new law needs to be looked at to see if it requires a budget or just the DOE 25. The DOE 25 has some asset information, but it's not detailed. It's a summary of revenue and expenditure used to comply with state and federal finance reports. Charter schools also have to complete nonprofit reporting.

Drew Cline shared that there is no rule making on the financial audit and asked if there are any issues with the annual financial audit. Jane Waterhouse shared that there needs to be clarification on the format of the audit due to a lot of confusion among schools. Drew Cline shared that he would like more information and possibly presentations before deciding on accounting principles. Nate Greene shared that the statute requires charter school audit must be requested in the same manner as public schools. They are requesting a rule because not everyone agrees to provide audits in the requested format. A rule would provide the DOE with backup. Drew Cline asked to discuss making a presentation at a later meeting to clarify issues and what a potential rule might be.

Drew Cline shared a requirement for first year and three-year program audits. He asked about the state of rulemaking around program audits in terms of how it affects the first-year audit. Jane Waterhouse shared that the first-year

program audits include a training on what the DOE is looking for: implementation of the charter as it is written. They look at the organization as a whole to ensure the school is aware of all the reporting they need to do, that they stay up to date on reporting, that they have completed all their financial reports, that financial reports are clean, that they are implementing fundraising and student recruitment. There's no metric. The audit looks at if the school is doing what's in their charter. If they're not, a correction plan is made. Drew Cline asked if there are any issues that would require rule making. Jane Waterhouse shared that is always great support. Schools have been grateful that the DOE is helping them through their first year. Drew Cline stated the law requires the audit, but there is no real rulemaking to define the audit. He asked if there is any practical reason to add rules when it seems to be working in the absence of rulemaking. Jane Waterhouse shared that the information in the RSA is justification.

Drew Cline brought back the idea of the three-year audit being an in person visit. The law states it needs to be a program audit. There is currently no rulemaking on the three-year audit. Richard Sala stated a benefit of an in-person audit is it gives the Board an opportunity to see the educators and students in New Hampshire. The law states it has to be a DOE audit, which is a resource issue. Richard Sala responded that the Board would conduct the in person and then meet with the Department to report back. Drew Cline suggested thinking about a rule defining a Department audit as consisting of a site visit and focus on that rather than a detailed paper audit. Jane Waterhouse shared that the renewal involves a site visit and the first-year audit site visit is only Jane. The barrier in a site visit would be lack of staffing at the Department.

B. Accountability

Drew Cline shared that under the law and existing rule there are audits, annual report and renewal. Renewal and revocation are where there is the most accountability. It's been identified that there is a gap in this area. There is a wide authority for writing rules on revocation and renewal. Those rules spell out the renewal application process. Ed 318.15 Revocation and Withdrawal states the list of reasons to revoke. There are some rules governing this law. The rules have only been written focusing on the revocation process.

The gray area lies prior to the revocation process. It is unclear what the Board's process and authority is to intervene in a school's management. What kind of rulemaking could or should be done to provide accountability framework and legal process based upon complaints that falls outside of the revocation process? There are no rules to allow the Board to act upon parent complaints outside of the revocation list. Ann Lane clarified that the missing piece is an opportunity for review and potential remediation. Drew Cline shared that the only current remediation is through the hearing officer process, which is a high bar. The Board needs to discuss rules that would allow for a separate process from revocation.

Nate Greene shared that currently parent complaints come into the Department and the issue is discussed. The DOE tries not to bring it to the Board because it tends to lead to the pathway of revocation. There is a missing level of being able to take action when a charter is violating a statute or policy in their charter. The DOE currently uses the charter school grant to bring schools into compliance.

Drew Cline stated that there is an ability to write rules separate from the revocation process for complaints on violation of a charter. The rules would lay out a process of investigation to deal with these complaints. Sally Griffin stated the revocation process has levels and tying the investigation to revocation encourages compliance. Richard Sala shared that the law references a remedial plan, and a rule would help lay out the steps of that process.

Drew Cline shared that he would like to create a subcommittee to work with Chris Bond to discuss what should be in the rules to deal with complaints. Sally Griffin shared that the Board has already gone through a revocation which would help in creating this path. Drew Cline proposed appointing a charter school subcommittee of the Board to take on redoing some of the charter school rules. Richard Sala, Ryan Terrell and Kate Cassady were the suggested subcommittee members.

Motion: Drew Cline made a motion, seconded by Sally Griffin to appoint a charter school subcommittee consisting of Ryan Terrell, Richard Sala, and Kate Cassady to focus on addressing rulemaking on charter schools.

Vote: The motion was approved by roll-call vote by State Board of Education Members Phil Nazzaro, Ann Lane, Richard Sala, Sally Griffin, Ryan Terrell, and Chair Cline.

AGENDA ITEM VI. ADJOURNMENT

Motion: Ryan Terrell made the motion, seconded by Richard Sala to adjourn the meeting.

Vote: The motion was approved by roll-call vote by State Board of Education Members Phil Nazzaro, Ann Lane, Richard Sala, Sally Griffin, Ryan Terrell, and Chair Cline.