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EXHIBIT A

ARTICLE 27A
CHARTER SCHOOLS

(105 ILCS 5/27A-1)

Sec. 27A-1. Short title and application. This Article may be cited as the Charter Schools Law. This Article applies in all school districts, including special charter districts and school districts located in cities having a population of more than 500,000.

(Source: P.A. 89-450, eff. 4-10-96.)

(105 ILCS 5/27A-2)

Sec. 27A-2. Legislative declaration.

(a) The General Assembly finds and declares as follows:

(1) Encouraging educational excellence is in the best interests of the people of this State.

(2) There are educators, community members, and parents in Illinois who can offer flexible and innovative educational techniques and programs, but who lack an avenue through which to provide them within the public school system.

(3) The enactment of legislation authorizing charter schools to operate in Illinois will promote new options within the public school system and will provide pupils, educators, community members, and parents with the stimulus to strive for educational excellence.

(b) The General Assembly further finds and declares that this Article is enacted for the following purposes:

(1) To improve pupil learning by creating schools with high, rigorous standards for pupil performance.

(2) To increase learning opportunities for all pupils, with special emphasis on expanded learning experiences for at-risk pupils, consistent, however, with an equal commitment to increase learning opportunities for all other groups of pupils in a manner that does not discriminate on the basis of disability, race, creed, color, gender, national origin, religion, ancestry, marital status, or need for special education services.

(3) To encourage the use of teaching methods that may be different in some respects than others regularly used in the public school system.

(4) To allow the development of new, different, or alternative forms of measuring pupil learning and achievement.

(5) To create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site.

(6) To provide parents and pupils with expanded choices within the public school system.

(7) To encourage parental and community involvement

with public schools.

(8) To hold charter schools accountable for meeting rigorous school content standards and to provide those schools with the opportunity to improve accountability.

(c) In authorizing charter schools, it is the intent of the General Assembly to create a legitimate avenue for parents, teachers, and community members to take responsible risks and create new, innovative, and more flexible ways of educating children within the public school system. The General Assembly seeks to create opportunities within the public school system of Illinois for development of innovative and accountable teaching techniques. The provisions of this Article should be interpreted liberally to support the findings and goals of this Section and to advance a renewed commitment by the State of Illinois to the mission, goals, and diversity of public education.

(Source: P.A. 89-450, eff. 4-10-96; 90-548, eff. 1-1-98.)

(105 ILCS 5/27A-3)

Sec. 27A-3. Definitions. For purposes of this Article:

"At-risk pupil" means a pupil who, because of physical, emotional, socioeconomic, or cultural factors, is less likely to succeed in a conventional educational environment.

"Authorizer" means an entity authorized under this Article to review applications, decide whether to approve or reject applications, enter into charter contracts with applicants, oversee charter schools, and decide whether to renew, not renew, or revoke a charter.

"Commission" means the State Charter School Commission established under Section 27A-7.5 of this Code.

"Local school board" means the duly elected or appointed school board or board of education of a public school district, including special charter districts and school districts located in cities having a population of more than 500,000, organized under the laws of this State.

"State Board" means the State Board of Education.

(Source: P.A. 97-152, eff. 7-20-11.)

(105 ILCS 5/27A-4)

Sec. 27A-4. General provisions.

(a) The General Assembly does not intend to alter or amend the provisions of any court-ordered desegregation plan in effect for any school district. A charter school shall be subject to all federal and State laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, gender, national origin, religion, ancestry, marital status, or need for special education services.

(b) The total number of charter schools operating under this Article at any one time shall not exceed 120. Not more

than 70 charter schools shall operate at any one time in any city having a population exceeding 500,000, with at least 5 charter schools devoted exclusively to students from low-performing or overcrowded schools operating at any one time in that city; and not more than 45 charter schools shall operate at any one time in the remainder of the State, with not more than one charter school that has been initiated by a board of education, or by an intergovernmental agreement between or among boards of education, operating at any one time in the school district where the charter school is located. In addition to these charter schools, up to but no more than 5 charter schools devoted exclusively to re-enrolled high school dropouts and/or students 16 or 15 years old at risk of dropping out may operate at any one time in any city having a population exceeding 500,000. Notwithstanding any provision to the contrary in subsection (b) of Section 27A-5 of this Code, each such dropout charter may operate up to 15 campuses within the city. Any of these dropout charters may have a maximum of 1,875 enrollment seats, any one of the campuses of the dropout charter may have a maximum of 165 enrollment seats, and each campus of the dropout charter must be operated, through a contract or payroll, by the same legal entity as that for which the charter is approved and certified.

For purposes of implementing this Section, the State Board shall assign a number to each charter submission it receives under Section 27A-6 for its review and certification, based on the chronological order in which the submission is received by it. The State Board shall promptly notify local school boards when the maximum numbers of certified charter schools authorized to operate have been reached.

(c) No charter shall be granted under this Article that would convert any existing private, parochial, or non-public school to a charter school.

(d) Enrollment in a charter school shall be open to any pupil who resides within the geographic boundaries of the area served by the local school board, provided that the board of education in a city having a population exceeding 500,000 may designate attendance boundaries for no more than one-third of the charter schools permitted in the city if the board of education determines that attendance boundaries are needed to relieve overcrowding or to better serve low-income and at-risk students. Students residing within an attendance boundary may be given priority for enrollment, but must not be required to attend the charter school.

(e) Nothing in this Article shall prevent 2 or more local school boards from jointly issuing a charter to a single shared charter school, provided that all of the provisions of this Article are met as to those local school boards.

(f) No local school board shall require any employee of the school district to be employed in a charter school.

(g) No local school board shall require any pupil residing within the geographic boundary of its district to enroll in a charter school.

(h) If there are more eligible applicants for enrollment in a charter school than there are spaces available, successful applicants shall be selected by lottery. However, priority shall be given to siblings of pupils enrolled in the

charter school and to pupils who were enrolled in the charter school the previous school year, unless expelled for cause, and priority may be given to pupils residing within the charter school's attendance boundary, if a boundary has been designated by the board of education in a city having a population exceeding 500,000.

Beginning with student enrollment for the 2015-2016 school year, any lottery required under this subsection (h) must be administered and videotaped by the charter school. The authorizer or its designee must be allowed to be present or view the lottery in real time. The charter school must maintain a videotaped record of the lottery, including a time/date stamp. The charter school shall transmit copies of the videotape and all records relating to the lottery to the authorizer on or before September 1 of each year.

Subject to the requirements for priority applicant groups set forth in paragraph (1) of this subsection (h), any lottery required under this subsection (h) must be administered in a way that provides each student an equal chance at admission. If an authorizer makes a determination that a charter school's lottery is in violation of this subsection (h), it may administer the lottery directly. After a lottery, each student randomly selected for admission to the charter school must be notified. Charter schools may not create an admissions process subsequent to a lottery that may operate as a barrier to registration or enrollment.

Charter schools may undertake additional intake activities, including without limitation student essays, school-parent compacts, or open houses, but in no event may a charter school require participation in these activities as a condition of enrollment. A charter school must submit an updated waitlist to the authorizer on a quarterly basis. A waitlist must be submitted to the authorizer at the same time as quarterly financial statements, if quarterly financial statements are required by the authorizer.

Dual enrollment at both a charter school and a public school or non-public school shall not be allowed. A pupil who is suspended or expelled from a charter school shall be deemed to be suspended or expelled from the public schools of the school district in which the pupil resides. Notwithstanding anything to the contrary in this subsection (h):

(1) any charter school with a mission exclusive to educating high school dropouts may grant priority admission to students who are high school dropouts and/or students 16 or 15 years old at risk of dropping out and any charter school with a mission exclusive to educating students from low-performing or overcrowded schools may restrict admission to students who are from low-performing or overcrowded schools; "priority admission" for charter schools exclusively devoted to re-enrolled dropouts or students at risk of dropping out means a minimum of 90% of students enrolled shall be high school dropouts; and

(2) any charter school located in a school district that contains all or part of a federal military base may set aside up to 33% of its current charter enrollment to students with parents assigned to the federal military base, with the remaining 67% subject to the general

enrollment and lottery requirements of subsection (d) of this Section and this subsection (h); if a student with a parent assigned to the federal military base withdraws from the charter school during the course of a school year for reasons other than grade promotion, those students with parents assigned to the federal military base shall have preference in filling the vacancy.

(i) (Blank).

(j) Notwithstanding any other provision of law to the contrary, a school district in a city having a population exceeding 500,000 shall not have a duty to collectively bargain with an exclusive representative of its employees over decisions to grant or deny a charter school proposal under Section 27A-8 of this Code, decisions to renew or revoke a charter under Section 27A-9 of this Code, and the impact of these decisions, provided that nothing in this Section shall have the effect of negating, abrogating, replacing, reducing, diminishing, or limiting in any way employee rights, guarantees, or privileges granted in Sections 2, 3, 7, 8, 10, 14, and 15 of the Illinois Educational Labor Relations Act.

(k) In this Section:

"Low-performing school" means a public school in a school district organized under Article 34 of this Code that enrolls students in any of grades kindergarten through 8 and that is ranked within the lowest 10% of schools in that district in terms of the percentage of students meeting or exceeding standards on the assessments required under Section 2-3.64a-5 of this Code.

"Overcrowded school" means a public school in a school district organized under Article 34 of this Code that (i) enrolls students in any of grades kindergarten through 8, (ii) has a percentage of low-income students of 70% or more, as identified in the most recently available School Report Card published by the State Board of Education, and (iii) is determined by the Chicago Board of Education to be in the most severely overcrowded 5% of schools in the district. On or before November 1 of each year, the Chicago Board of Education shall file a report with the State Board of Education on which schools in the district meet the definition of "overcrowded school". "Students at risk of dropping out" means students 16 or 15 years old in a public school in a district organized under Article 34 of this Code that enrolls students in any grades 9-12 who have been absent at least 90 school attendance days of the previous 180 school attendance days.

(l) For advertisements created after January 1, 2015 (the effective date of Public Act 98-783), any advertisement, including a radio, television, print, Internet, social media, or billboard advertisement, purchased by a school district or public school, including a charter school, with public funds must include a disclaimer stating that the advertisement was paid for using public funds.

This disclaimer requirement does not extend to materials created by the charter school, including, but not limited to, a school website, informational pamphlets or leaflets, or clothing with affixed school logos.

(Source: P.A. 98-474, eff. 8-16-13; 98-783, eff. 1-1-15; 98-972, eff. 8-15-14; 99-78, eff. 7-20-15.)

(105 ILCS 5/27A-5)

(Text of Section from P.A. 99-30)

Sec. 27A-5. Charter school; legal entity; requirements.

(a) A charter school shall be a public, nonsectarian, nonreligious, non-home based, and non-profit school. A charter school shall be organized and operated as a nonprofit corporation or other discrete, legal, nonprofit entity authorized under the laws of the State of Illinois.

(b) A charter school may be established under this Article by creating a new school or by converting an existing public school or attendance center to charter school status. Beginning on the effective date of this amendatory Act of the 93rd General Assembly, in all new applications to establish a charter school in a city having a population exceeding 500,000, operation of the charter school shall be limited to one campus. The changes made to this Section by this amendatory Act of the 93rd General Assembly do not apply to charter schools existing or approved on or before the effective date of this amendatory Act.

(b-5) In this subsection (b-5), "virtual-schooling" means a cyber school where students engage in online curriculum and instruction via the Internet and electronic communication with their teachers at remote locations and with students participating at different times.

From April 1, 2013 through December 31, 2016, there is a moratorium on the establishment of charter schools with virtual-schooling components in school districts other than a school district organized under Article 34 of this Code. This moratorium does not apply to a charter school with virtual-schooling components existing or approved prior to April 1, 2013 or to the renewal of the charter of a charter school with virtual-schooling components already approved prior to April 1, 2013.

On or before March 1, 2014, the Commission shall submit to the General Assembly a report on the effect of virtual-schooling, including without limitation the effect on student performance, the costs associated with virtual-schooling, and issues with oversight. The report shall include policy recommendations for virtual-schooling.

(c) A charter school shall be administered and governed by its board of directors or other governing body in the manner provided in its charter. The governing body of a charter school shall be subject to the Freedom of Information Act and the Open Meetings Act.

(d) A charter school shall comply with all applicable health and safety requirements applicable to public schools under the laws of the State of Illinois.

(e) Except as otherwise provided in the School Code, a charter school shall not charge tuition; provided that a charter school may charge reasonable fees for textbooks, instructional materials, and student activities.

(f) A charter school shall be responsible for the management and operation of its fiscal affairs including, but

not limited to, the preparation of its budget. An audit of each charter school's finances shall be conducted annually by an outside, independent contractor retained by the charter school. To ensure financial accountability for the use of public funds, on or before December 1 of every year of operation, each charter school shall submit to its authorizer and the State Board a copy of its audit and a copy of the Form 990 the charter school filed that year with the federal Internal Revenue Service. In addition, if deemed necessary for proper financial oversight of the charter school, an authorizer may require quarterly financial statements from each charter school.

(g) A charter school shall comply with all provisions of this Article, the Illinois Educational Labor Relations Act, all federal and State laws and rules applicable to public schools that pertain to special education and the instruction of English learners, and its charter. A charter school is exempt from all other State laws and regulations in this Code governing public schools and local school board policies, except the following:

- (1) Sections 10-21.9 and 34-18.5 of this Code regarding criminal history records checks and checks of the Statewide Sex Offender Database and Statewide Murderer and Violent Offender Against Youth Database of applicants for employment;
- (2) Sections 24-24 and 34-84A of this Code regarding discipline of students;
- (3) the Local Governmental and Governmental Employees Tort Immunity Act;
- (4) Section 108.75 of the General Not For Profit Corporation Act of 1986 regarding indemnification of officers, directors, employees, and agents;
- (5) the Abused and Neglected Child Reporting Act;
- (6) the Illinois School Student Records Act;
- (7) Section 10-17a of this Code regarding school report cards;
- (8) the P-20 Longitudinal Education Data System Act;
- (9) Section 27-23.7 of this Code regarding bullying prevention; and
- (10) Section 2-3.162 of this Code regarding student discipline reporting.

The change made by Public Act 96-104 to this subsection (g) is declaratory of existing law.

(h) A charter school may negotiate and contract with a school district, the governing body of a State college or university or public community college, or any other public or for-profit or nonprofit private entity for: (i) the use of a school building and grounds or any other real property or facilities that the charter school desires to use or convert for use as a charter school site, (ii) the operation and maintenance thereof, and (iii) the provision of any service, activity, or undertaking that the charter school is required to perform in order to carry out the terms of its charter. However, a charter school that is established on or after the effective date of this amendatory Act of the 93rd General Assembly and that operates in a city having a population exceeding 500,000 may not contract with a for-profit entity to

manage or operate the school during the period that commences on the effective date of this amendatory Act of the 93rd General Assembly and concludes at the end of the 2004-2005 school year. Except as provided in subsection (i) of this Section, a school district may charge a charter school reasonable rent for the use of the district's buildings, grounds, and facilities. Any services for which a charter school contracts with a school district shall be provided by the district at cost. Any services for which a charter school contracts with a local school board or with the governing body of a State college or university or public community college shall be provided by the public entity at cost.

(i) In no event shall a charter school that is established by converting an existing school or attendance center to charter school status be required to pay rent for space that is deemed available, as negotiated and provided in the charter agreement, in school district facilities. However, all other costs for the operation and maintenance of school district facilities that are used by the charter school shall be subject to negotiation between the charter school and the local school board and shall be set forth in the charter.

(j) A charter school may limit student enrollment by age or grade level.

(k) If the charter school is approved by the Commission, then the Commission charter school is its own local education agency.

(Source: P.A. 98-16, eff. 5-24-13; 98-639, eff. 6-9-14; 98-669, eff. 6-26-14; 98-739, eff. 7-16-14; 98-783, eff. 1-1-15; 98-1059, eff. 8-26-14; 98-1102, eff. 8-26-14; 99-30, eff. 7-10-15.)

(Text of Section from P.A. 99-78)

Sec. 27A-5. Charter school; legal entity; requirements.

(a) A charter school shall be a public, nonsectarian, nonreligious, non-home based, and non-profit school. A charter school shall be organized and operated as a nonprofit corporation or other discrete, legal, nonprofit entity authorized under the laws of the State of Illinois.

(b) A charter school may be established under this Article by creating a new school or by converting an existing public school or attendance center to charter school status. Beginning on the effective date of this amendatory Act of the 93rd General Assembly, in all new applications to establish a charter school in a city having a population exceeding 500,000, operation of the charter school shall be limited to one campus. The changes made to this Section by this amendatory Act of the 93rd General Assembly do not apply to charter schools existing or approved on or before the effective date of this amendatory Act.

(b-5) In this subsection (b-5), "virtual-schooling" means a cyber school where students engage in online curriculum and instruction via the Internet and electronic communication with their teachers at remote locations and with students participating at different times.

From April 1, 2013 through December 31, 2016, there is a moratorium on the establishment of charter schools with virtual-schooling components in school districts other than a

school district organized under Article 34 of this Code. This moratorium does not apply to a charter school with virtual-schooling components existing or approved prior to April 1, 2013 or to the renewal of the charter of a charter school with virtual-schooling components already approved prior to April 1, 2013.

On or before March 1, 2014, the Commission shall submit to the General Assembly a report on the effect of virtual-schooling, including without limitation the effect on student performance, the costs associated with virtual-schooling, and issues with oversight. The report shall include policy recommendations for virtual-schooling.

(c) A charter school shall be administered and governed by its board of directors or other governing body in the manner provided in its charter. The governing body of a charter school shall be subject to the Freedom of Information Act and the Open Meetings Act.

(d) A charter school shall comply with all applicable health and safety requirements applicable to public schools under the laws of the State of Illinois.

(e) Except as otherwise provided in the School Code, a charter school shall not charge tuition; provided that a charter school may charge reasonable fees for textbooks, instructional materials, and student activities.

(f) A charter school shall be responsible for the management and operation of its fiscal affairs including, but not limited to, the preparation of its budget. An audit of each charter school's finances shall be conducted annually by an outside, independent contractor retained by the charter school. To ensure financial accountability for the use of public funds, on or before December 1 of every year of operation, each charter school shall submit to its authorizer and the State Board a copy of its audit and a copy of the Form 990 the charter school filed that year with the federal Internal Revenue Service. In addition, if deemed necessary for proper financial oversight of the charter school, an authorizer may require quarterly financial statements from each charter school.

(g) A charter school shall comply with all provisions of this Article; the Illinois Educational Labor Relations Act; all federal and State laws and rules applicable to public schools that pertain to special education and the instruction of English language learners, referred to in this Code as "children of limited English-speaking ability"; and its charter. A charter school is exempt from all other State laws and regulations in this Code governing public schools and local school board policies, except the following:

(1) Sections 10-21.9 and 34-18.5 of this Code regarding criminal history records checks and checks of the Statewide Sex Offender Database and Statewide Murderer and Violent Offender Against Youth Database of applicants for employment;

(2) Sections 24-24 and 34-84A of this Code regarding discipline of students;

(3) the Local Governmental and Governmental Employees Tort Immunity Act;

(4) Section 108.75 of the General Not For Profit

Corporation Act of 1986 regarding indemnification of officers, directors, employees, and agents;

(5) the Abused and Neglected Child Reporting Act;

(6) the Illinois School Student Records Act;

(7) Section 10-17a of this Code regarding school report cards;

(8) the P-20 Longitudinal Education Data System Act;

(9) Section 27-23.7 of this Code regarding bullying prevention; and

(10) Section 2-3.162 of this Code regarding student discipline reporting.

The change made by Public Act 96-104 to this subsection (g) is declaratory of existing law.

(h) A charter school may negotiate and contract with a school district, the governing body of a State college or university or public community college, or any other public or for-profit or nonprofit private entity for: (i) the use of a school building and grounds or any other real property or facilities that the charter school desires to use or convert for use as a charter school site, (ii) the operation and maintenance thereof, and (iii) the provision of any service, activity, or undertaking that the charter school is required to perform in order to carry out the terms of its charter. However, a charter school that is established on or after the effective date of this amendatory Act of the 93rd General Assembly and that operates in a city having a population exceeding 500,000 may not contract with a for-profit entity to manage or operate the school during the period that commences on the effective date of this amendatory Act of the 93rd General Assembly and concludes at the end of the 2004-2005 school year. Except as provided in subsection (i) of this Section, a school district may charge a charter school reasonable rent for the use of the district's buildings, grounds, and facilities. Any services for which a charter school contracts with a school district shall be provided by the district at cost. Any services for which a charter school contracts with a local school board or with the governing body of a State college or university or public community college shall be provided by the public entity at cost.

(i) In no event shall a charter school that is established by converting an existing school or attendance center to charter school status be required to pay rent for space that is deemed available, as negotiated and provided in the charter agreement, in school district facilities. However, all other costs for the operation and maintenance of school district facilities that are used by the charter school shall be subject to negotiation between the charter school and the local school board and shall be set forth in the charter.

(j) A charter school may limit student enrollment by age or grade level.

(k) If the charter school is approved by the Commission, then the Commission charter school is its own local education agency.

(Source: P.A. 98-16, eff. 5-24-13; 98-639, eff. 6-9-14; 98-669, eff. 6-26-14; 98-739, eff. 7-16-14; 98-783, eff. 1-1-15; 98-1059, eff. 8-26-14; 98-1102, eff. 8-26-14; 99-78, eff. 7-20-15.)

(Text of Section from P.A. 99-245)

Sec. 27A-5. Charter school; legal entity; requirements.

(a) A charter school shall be a public, nonsectarian, nonreligious, non-home based, and non-profit school. A charter school shall be organized and operated as a nonprofit corporation or other discrete, legal, nonprofit entity authorized under the laws of the State of Illinois.

(b) A charter school may be established under this Article by creating a new school or by converting an existing public school or attendance center to charter school status.

Beginning on the effective date of this amendatory Act of the 93rd General Assembly, in all new applications to establish a charter school in a city having a population exceeding 500,000, operation of the charter school shall be limited to one campus. The changes made to this Section by this amendatory Act of the 93rd General Assembly do not apply to charter schools existing or approved on or before the effective date of this amendatory Act.

(b-5) In this subsection (b-5), "virtual-schooling" means a cyber school where students engage in online curriculum and instruction via the Internet and electronic communication with their teachers at remote locations and with students participating at different times.

From April 1, 2013 through December 31, 2016, there is a moratorium on the establishment of charter schools with virtual-schooling components in school districts other than a school district organized under Article 34 of this Code. This moratorium does not apply to a charter school with virtual-schooling components existing or approved prior to April 1, 2013 or to the renewal of the charter of a charter school with virtual-schooling components already approved prior to April 1, 2013.

On or before March 1, 2014, the Commission shall submit to the General Assembly a report on the effect of virtual-schooling, including without limitation the effect on student performance, the costs associated with virtual-schooling, and issues with oversight. The report shall include policy recommendations for virtual-schooling.

(c) A charter school shall be administered and governed by its board of directors or other governing body in the manner provided in its charter. The governing body of a charter school shall be subject to the Freedom of Information Act and the Open Meetings Act.

(d) A charter school shall comply with all applicable health and safety requirements applicable to public schools under the laws of the State of Illinois.

(e) Except as otherwise provided in the School Code, a charter school shall not charge tuition; provided that a charter school may charge reasonable fees for textbooks, instructional materials, and student activities.

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public funds, on or before December 1 of every year of operation, each charter school shall submit to its authorizer and the State Board a copy of its audit and a copy of the Form 990 the charter school filed that year with the federal Internal Revenue Service. In addition, if deemed necessary for proper financial oversight of the charter school, an authorizer may require quarterly financial statements from each charter school.

(g) A charter school shall comply with all provisions of this Article; the Illinois Educational Labor Relations Act; all federal and State laws and rules applicable to public schools that pertain to special education and the instruction of English language learners, referred to in this Code as "children of limited English-speaking ability"; and its charter. A charter school is exempt from all other State laws and regulations in this Code governing public schools and local school board policies, except the following:

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- (3) the Local Governmental and Governmental Employees Tort Immunity Act;
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- (6) the Illinois School Student Records Act;
- (7) Section 10-17a of this Code regarding school report cards;
- (8) the P-20 Longitudinal Education Data System Act;
- (9) Section 27-23.7 of this Code regarding bullying prevention;
- (10) Section 2-3.162 of this Code regarding student discipline reporting; and
- (11) Section 22-80 of this Code.

The change made by Public Act 96-104 to this subsection (g) is declaratory of existing law.

(h) A charter school may negotiate and contract with a school district, the governing body of a State college or university or public community college, or any other public or for-profit or nonprofit private entity for: (i) the use of a school building and grounds or any other real property or facilities that the charter school desires to use or convert for use as a charter school site, (ii) the operation and maintenance thereof, and (iii) the provision of any service, activity, or undertaking that the charter school is required to perform in order to carry out the terms of its charter. However, a charter school that is established on or after the effective date of this amendatory Act of the 93rd General Assembly and that operates in a city having a population exceeding 500,000 may not contract with a for-profit entity to manage or operate the school during the period that commences on the effective date of this amendatory Act of the 93rd

General Assembly and concludes at the end of the 2004-2005 school year. Except as provided in subsection (i) of this Section, a school district may charge a charter school reasonable rent for the use of the district's buildings, grounds, and facilities. Any services for which a charter school contracts with a school district shall be provided by the district at cost. Any services for which a charter school contracts with a local school board or with the governing body of a State college or university or public community college shall be provided by the public entity at cost.

(i) In no event shall a charter school that is established by converting an existing school or attendance center to charter school status be required to pay rent for space that is deemed available, as negotiated and provided in the charter agreement, in school district facilities. However, all other costs for the operation and maintenance of school district facilities that are used by the charter school shall be subject to negotiation between the charter school and the local school board and shall be set forth in the charter.

(j) A charter school may limit student enrollment by age or grade level.

(k) If the charter school is approved by the Commission, then the Commission charter school is its own local education agency.

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(Text of Section from P.A. 99-325)

Sec. 27A-5. Charter school; legal entity; requirements.

(a) A charter school shall be a public, nonsectarian, nonreligious, non-home based, and non-profit school. A charter school shall be organized and operated as a nonprofit corporation or other discrete, legal, nonprofit entity authorized under the laws of the State of Illinois.

(b) A charter school may be established under this Article by creating a new school or by converting an existing public school or attendance center to charter school status. Beginning on the effective date of this amendatory Act of the 93rd General Assembly, in all new applications to establish a charter school in a city having a population exceeding 500,000, operation of the charter school shall be limited to one campus. The changes made to this Section by this amendatory Act of the 93rd General Assembly do not apply to charter schools existing or approved on or before the effective date of this amendatory Act.

(b-5) In this subsection (b-5), "virtual-schooling" means a cyber school where students engage in online curriculum and instruction via the Internet and electronic communication with their teachers at remote locations and with students participating at different times.

From April 1, 2013 through December 31, 2016, there is a moratorium on the establishment of charter schools with virtual-schooling components in school districts other than a school district organized under Article 34 of this Code. This moratorium does not apply to a charter school with virtual-

schooling components existing or approved prior to April 1, 2013 or to the renewal of the charter of a charter school with virtual-schooling components already approved prior to April 1, 2013.

On or before March 1, 2014, the Commission shall submit to the General Assembly a report on the effect of virtual-schooling, including without limitation the effect on student performance, the costs associated with virtual-schooling, and issues with oversight. The report shall include policy recommendations for virtual-schooling.

(c) A charter school shall be administered and governed by its board of directors or other governing body in the manner provided in its charter. The governing body of a charter school shall be subject to the Freedom of Information Act and the Open Meetings Act.

(d) For purposes of this subsection (d), "non-curricular health and safety requirement" means any health and safety requirement created by statute or rule to provide, maintain, preserve, or safeguard safe or healthful conditions for students and school personnel or to eliminate, reduce, or prevent threats to the health and safety of students and school personnel. "Non-curricular health and safety requirement" does not include any course of study or specialized instructional requirement for which the State Board has established goals and learning standards or which is designed primarily to impart knowledge and skills for students to master and apply as an outcome of their education.

A charter school shall comply with all non-curricular health and safety requirements applicable to public schools under the laws of the State of Illinois. On or before September 1, 2015, the State Board shall promulgate and post on its Internet website a list of non-curricular health and safety requirements that a charter school must meet. The list shall be updated annually no later than September 1. Any charter contract between a charter school and its authorizer must contain a provision that requires the charter school to follow the list of all non-curricular health and safety requirements promulgated by the State Board and any non-curricular health and safety requirements added by the State Board to such list during the term of the charter. Nothing in this subsection (d) precludes an authorizer from including non-curricular health and safety requirements in a charter school contract that are not contained in the list promulgated by the State Board, including non-curricular health and safety requirements of the authorizing local school board.

(e) Except as otherwise provided in the School Code, a charter school shall not charge tuition; provided that a charter school may charge reasonable fees for textbooks, instructional materials, and student activities.

(f) A charter school shall be responsible for the management and operation of its fiscal affairs including, but not limited to, the preparation of its budget. An audit of each charter school's finances shall be conducted annually by an outside, independent contractor retained by the charter school. To ensure financial accountability for the use of public funds, on or before December 1 of every year of operation, each charter school shall submit to its authorizer

and the State Board a copy of its audit and a copy of the Form 990 the charter school filed that year with the federal Internal Revenue Service. In addition, if deemed necessary for proper financial oversight of the charter school, an authorizer may require quarterly financial statements from each charter school.

(g) A charter school shall comply with all provisions of this Article; the Illinois Educational Labor Relations Act; all federal and State laws and rules applicable to public schools that pertain to special education and the instruction of English language learners, referred to in this Code as "children of limited English-speaking ability"; and its charter. A charter school is exempt from all other State laws and regulations in this Code governing public schools and local school board policies; however, a charter school is not exempt from the following:

- (1) Sections 10-21.9 and 34-18.5 of this Code regarding criminal history records checks and checks of the Statewide Sex Offender Database and Statewide Murderer and Violent Offender Against Youth Database of applicants for employment;
- (2) Sections 24-24 and 34-84A of this Code regarding discipline of students;
- (3) the Local Governmental and Governmental Employees Tort Immunity Act;
- (4) Section 108.75 of the General Not For Profit Corporation Act of 1986 regarding indemnification of officers, directors, employees, and agents;
- (5) the Abused and Neglected Child Reporting Act;
- (6) the Illinois School Student Records Act;
- (7) Section 10-17a of this Code regarding school report cards;
- (8) the P-20 Longitudinal Education Data System Act;
- (9) Section 27-23.7 of this Code regarding bullying prevention; and
- (10) Section 2-3.162 of this Code regarding student discipline reporting.

The change made by Public Act 96-104 to this subsection (g) is declaratory of existing law.

(h) A charter school may negotiate and contract with a school district, the governing body of a State college or university or public community college, or any other public or for-profit or nonprofit private entity for: (i) the use of a school building and grounds or any other real property or facilities that the charter school desires to use or convert for use as a charter school site, (ii) the operation and maintenance thereof, and (iii) the provision of any service, activity, or undertaking that the charter school is required to perform in order to carry out the terms of its charter. However, a charter school that is established on or after the effective date of this amendatory Act of the 93rd General Assembly and that operates in a city having a population exceeding 500,000 may not contract with a for-profit entity to manage or operate the school during the period that commences on the effective date of this amendatory Act of the 93rd General Assembly and concludes at the end of the 2004-2005 school year. Except as provided in subsection (i) of this

Section, a school district may charge a charter school reasonable rent for the use of the district's buildings, grounds, and facilities. Any services for which a charter school contracts with a school district shall be provided by the district at cost. Any services for which a charter school contracts with a local school board or with the governing body of a State college or university or public community college shall be provided by the public entity at cost.

(i) In no event shall a charter school that is established by converting an existing school or attendance center to charter school status be required to pay rent for space that is deemed available, as negotiated and provided in the charter agreement, in school district facilities. However, all other costs for the operation and maintenance of school district facilities that are used by the charter school shall be subject to negotiation between the charter school and the local school board and shall be set forth in the charter.

(j) A charter school may limit student enrollment by age or grade level.

(k) If the charter school is approved by the Commission, then the Commission charter school is its own local education agency.

(Source: P.A. 98-16, eff. 5-24-13; 98-639, eff. 6-9-14; 98-669, eff. 6-26-14; 98-739, eff. 7-16-14; 98-783, eff. 1-1-15; 98-1059, eff. 8-26-14; 98-1102, eff. 8-26-14; 99-325, eff. 8-10-15.)

(Text of Section from P.A. 99-456)

Sec. 27A-5. Charter school; legal entity; requirements.

(a) A charter school shall be a public, nonsectarian, nonreligious, non-home based, and non-profit school. A charter school shall be organized and operated as a nonprofit corporation or other discrete, legal, nonprofit entity authorized under the laws of the State of Illinois.

(b) A charter school may be established under this Article by creating a new school or by converting an existing public school or attendance center to charter school status. Beginning on the effective date of this amendatory Act of the 93rd General Assembly, in all new applications to establish a charter school in a city having a population exceeding 500,000, operation of the charter school shall be limited to one campus. The changes made to this Section by this amendatory Act of the 93rd General Assembly do not apply to charter schools existing or approved on or before the effective date of this amendatory Act.

(b-5) In this subsection (b-5), "virtual-schooling" means a cyber school where students engage in online curriculum and instruction via the Internet and electronic communication with their teachers at remote locations and with students participating at different times.

From April 1, 2013 through December 31, 2016, there is a moratorium on the establishment of charter schools with virtual-schooling components in school districts other than a school district organized under Article 34 of this Code. This moratorium does not apply to a charter school with virtual-schooling components existing or approved prior to April 1, 2013 or to the renewal of the charter of a charter school with

virtual-schooling components already approved prior to April 1, 2013.

On or before March 1, 2014, the Commission shall submit to the General Assembly a report on the effect of virtual-schooling, including without limitation the effect on student performance, the costs associated with virtual-schooling, and issues with oversight. The report shall include policy recommendations for virtual-schooling.

(c) A charter school shall be administered and governed by its board of directors or other governing body in the manner provided in its charter. The governing body of a charter school shall be subject to the Freedom of Information Act and the Open Meetings Act.

(d) A charter school shall comply with all applicable health and safety requirements applicable to public schools under the laws of the State of Illinois.

(e) Except as otherwise provided in the School Code, a charter school shall not charge tuition; provided that a charter school may charge reasonable fees for textbooks, instructional materials, and student activities.

(f) A charter school shall be responsible for the management and operation of its fiscal affairs including, but not limited to, the preparation of its budget. An audit of each charter school's finances shall be conducted annually by an outside, independent contractor retained by the charter school. To ensure financial accountability for the use of public funds, on or before December 1 of every year of operation, each charter school shall submit to its authorizer and the State Board a copy of its audit and a copy of the Form 990 the charter school filed that year with the federal Internal Revenue Service. In addition, if deemed necessary for proper financial oversight of the charter school, an authorizer may require quarterly financial statements from each charter school.

(g) A charter school shall comply with all provisions of this Article; the Illinois Educational Labor Relations Act; all federal and State laws and rules applicable to public schools that pertain to special education and the instruction of English language learners, referred to in this Code as "children of limited English-speaking ability"; and its charter. A charter school is exempt from all other State laws and regulations in this Code governing public schools and local school board policies, except the following:

(1) Sections 10-21.9 and 34-18.5 of this Code regarding criminal history records checks and checks of the Statewide Sex Offender Database and Statewide Murderer and Violent Offender Against Youth Database of applicants for employment;

(2) Sections 10-20.14, 10-22.6, 24-24, 34-19, and 34-84a of this Code regarding discipline of students;

(3) the Local Governmental and Governmental Employees Tort Immunity Act;

(4) Section 108.75 of the General Not For Profit Corporation Act of 1986 regarding indemnification of officers, directors, employees, and agents;

(5) the Abused and Neglected Child Reporting Act;

(6) the Illinois School Student Records Act;

(7) Section 10-17a of this Code regarding school report cards;

(8) the P-20 Longitudinal Education Data System Act;

(9) Section 27-23.7 of this Code regarding bullying prevention; and

(10) Section 2-3.162 of this Code regarding student discipline reporting.

The change made by Public Act 96-104 to this subsection (g) is declaratory of existing law.

(h) A charter school may negotiate and contract with a school district, the governing body of a State college or university or public community college, or any other public or for-profit or nonprofit private entity for: (i) the use of a school building and grounds or any other real property or facilities that the charter school desires to use or convert for use as a charter school site, (ii) the operation and maintenance thereof, and (iii) the provision of any service, activity, or undertaking that the charter school is required to perform in order to carry out the terms of its charter. However, a charter school that is established on or after the effective date of this amendatory Act of the 93rd General Assembly and that operates in a city having a population exceeding 500,000 may not contract with a for-profit entity to manage or operate the school during the period that commences on the effective date of this amendatory Act of the 93rd General Assembly and concludes at the end of the 2004-2005 school year. Except as provided in subsection (i) of this Section, a school district may charge a charter school reasonable rent for the use of the district's buildings, grounds, and facilities. Any services for which a charter school contracts with a school district shall be provided by the district at cost. Any services for which a charter school contracts with a local school board or with the governing body of a State college or university or public community college shall be provided by the public entity at cost.

(i) In no event shall a charter school that is established by converting an existing school or attendance center to charter school status be required to pay rent for space that is deemed available, as negotiated and provided in the charter agreement, in school district facilities. However, all other costs for the operation and maintenance of school district facilities that are used by the charter school shall be subject to negotiation between the charter school and the local school board and shall be set forth in the charter.

(j) A charter school may limit student enrollment by age or grade level.

(k) If the charter school is approved by the Commission, then the Commission charter school is its own local education agency.

(Source: P.A. 98-16, eff. 5-24-13; 98-639, eff. 6-9-14; 98-669, eff. 6-26-14; 98-739, eff. 7-16-14; 98-783, eff. 1-1-15; 98-1059, eff. 8-26-14; 98-1102, eff. 8-26-14; 99-456, eff. 9-15-16.)

(105 ILCS 5/27A-6)

Sec. 27A-6. Contract contents; applicability of laws and regulations.

(a) A certified charter shall constitute a binding contract and agreement between the charter school and a local school board under the terms of which the local school board authorizes the governing body of the charter school to operate the charter school on the terms specified in the contract.

(b) Notwithstanding any other provision of this Article, the certified charter may not waive or release the charter school from the State goals, standards, and assessments established pursuant to Section 2-3.64a-5 of this Code. Beginning with the 2003-2004 school year, the certified charter for a charter school operating in a city having a population exceeding 500,000 shall require the charter school to administer any other nationally recognized standardized tests to its students that the chartering entity administers to other students, and the results on such tests shall be included in the chartering entity's assessment reports.

(c) Subject to the provisions of subsection (e), a material revision to a previously certified contract or a renewal shall be made with the approval of both the local school board and the governing body of the charter school.

(c-5) The proposed contract shall include a provision on how both parties will address minor violations of the contract.

(d) The proposed contract between the governing body of a proposed charter school and the local school board as described in Section 27A-7 must be submitted to and certified by the State Board before it can take effect. If the State Board recommends that the proposed contract be modified for consistency with this Article before it can be certified, the modifications must be consented to by both the governing body of the charter school and the local school board, and resubmitted to the State Board for its certification. If the proposed contract is resubmitted in a form that is not consistent with this Article, the State Board may refuse to certify the charter.

The State Board shall assign a number to each submission or resubmission in chronological order of receipt, and shall determine whether the proposed contract is consistent with the provisions of this Article. If the proposed contract complies, the State Board shall so certify.

(e) No renewal of a previously certified contract is effective unless and until the State Board certifies that the renewal is consistent with the provisions of this Article. A material revision to a previously certified contract may go into effect immediately upon approval of both the local school board and the governing body of the charter school, unless either party requests in writing that the State Board certify that the material revision is consistent with the provisions of this Article. If such a request is made, the proposed material revision is not effective unless and until the State Board so certifies.

(Source: P.A. 98-972, eff. 8-15-14; 98-1048, eff. 8-25-14; 99-78, eff. 7-20-15.)

(105 ILCS 5/27A-6.5)

Sec. 27A-6.5. Charter school referendum.

(a) No charter shall go into effect under this Section that would convert any existing private, parochial, or non-public school to a charter school or whose proposal has not been certified by the State Board.

(b) A local school board shall, whenever petitioned to do so by 5% or more of the voters of a school district or districts identified in a charter school proposal, order submitted to the voters thereof at a regularly scheduled election the question of whether a new charter school shall be established, which proposal has been found by the Commission to be in compliance with the provisions of this Article, and the secretary shall certify the proposition to the proper election authorities for submission in accordance with the general election law. The proposition shall be in substantially the following form:

"FOR the establishment of (name of proposed charter school) under charter school proposal (charter school proposal number).

AGAINST the establishment of (name of proposed charter school) under charter school proposal (charter school proposal number)".

(c) Before circulating a petition to submit the question of whether to establish a charter school to the voters under subsection (b) of this Section, the governing body of a proposed charter school that desires to establish a new charter school by referendum shall submit the charter school proposal to the Commission in the form of a proposed contract to be entered into between the Commission and the governing body of the proposed charter school, together with written notice of the intent to have a new charter school established by referendum. The contract shall comply with the provisions of this Article.

If the Commission finds that the proposed contract complies with the provisions of this Article, it shall immediately direct the local school board to notify the proper election authorities that the question of whether to establish a new charter school shall be submitted for referendum.

(d) If the Commission finds that the proposal fails to comply with the provisions of this Article, it shall provide written explanation, detailing its reasons for refusal, to the local school board and to the individuals or organizations submitting the proposal. The Commission shall also notify the local school board and the individuals or organizations submitting the proposal that the proposal may be amended and resubmitted under the same provisions required for an original submission.

(e) If a majority of the votes cast upon the proposition in each school district designated in the charter school proposal is in favor of establishing a charter school, the local school board shall notify the State Board and the Commission of the passage of the proposition in favor of

establishing a charter school and the Commission shall approve the charter within 7 days after the State Board of Elections has certified that a majority of the votes cast upon the proposition is in favor of establishing a charter school. The Commission shall be the chartering entity for charter schools established by referendum under this Section.

(f) The State Board shall determine whether the charter proposal approved by the Commission is consistent with the provisions of this Article and, if the approved proposal complies, certify the proposal pursuant to this Article. (Source: P.A. 98-739, eff. 7-16-14.)

(105 ILCS 5/27A-7)

Sec. 27A-7. Charter submission.

(a) A proposal to establish a charter school shall be submitted to the local school board and the State Board for certification under Section 27A-6 of this Code in the form of a proposed contract entered into between the local school board and the governing body of a proposed charter school. The charter school proposal shall include:

(1) The name of the proposed charter school, which must include the words "Charter School".

(2) The age or grade range, areas of focus, minimum and maximum numbers of pupils to be enrolled in the charter school, and any other admission criteria that would be legal if used by a school district.

(3) A description of and address for the physical plant in which the charter school will be located; provided that nothing in the Article shall be deemed to justify delaying or withholding favorable action on or approval of a charter school proposal because the building or buildings in which the charter school is to be located have not been acquired or rented at the time a charter school proposal is submitted or approved or a charter school contract is entered into or submitted for certification or certified, so long as the proposal or submission identifies and names at least 2 sites that are potentially available as a charter school facility by the time the charter school is to open.

(4) The mission statement of the charter school, which must be consistent with the General Assembly's declared purposes; provided that nothing in this Article shall be construed to require that, in order to receive favorable consideration and approval, a charter school proposal demonstrate unequivocally that the charter school will be able to meet each of those declared purposes, it being the intention of the Charter Schools Law that those purposes be recognized as goals that charter schools must aspire to attain.

(5) The goals, objectives, and pupil performance standards to be achieved by the charter school.

(6) In the case of a proposal to establish a charter school by converting an existing public school or

attendance center to charter school status, evidence that the proposed formation of the charter school has received the approval of certified teachers, parents and guardians, and, if applicable, a local school council as provided in subsection (b) of Section 27A-8.

(7) A description of the charter school's educational program, pupil performance standards, curriculum, school year, school days, and hours of operation.

(8) A description of the charter school's plan for evaluating pupil performance, the types of assessments that will be used to measure pupil progress towards achievement of the school's pupil performance standards, the timeline for achievement of those standards, and the procedures for taking corrective action in the event that pupil performance at the charter school falls below those standards.

(9) Evidence that the terms of the charter as proposed are economically sound for both the charter school and the school district, a proposed budget for the term of the charter, a description of the manner in which an annual audit of the financial and administrative operations of the charter school, including any services provided by the school district, are to be conducted, and a plan for the displacement of pupils, teachers, and other employees who will not attend or be employed in the charter school.

(10) A description of the governance and operation of the charter school, including the nature and extent of parental, professional educator, and community involvement in the governance and operation of the charter school.

(11) An explanation of the relationship that will exist between the charter school and its employees, including evidence that the terms and conditions of employment have been addressed with affected employees and their recognized representative, if any. However, a bargaining unit of charter school employees shall be separate and distinct from any bargaining units formed from employees of a school district in which the charter school is located.

(12) An agreement between the parties regarding their respective legal liability and applicable insurance coverage.

(13) A description of how the charter school plans to meet the transportation needs of its pupils, and a plan for addressing the transportation needs of low-income and at-risk pupils.

(14) The proposed effective date and term of the charter; provided that the first day of the first academic year shall be no earlier than August 15 and no later than September 15 of a calendar year, and the first day of the fiscal year shall be July 1.

(14.5) Disclosure of any known active civil or criminal investigation by a local, state, or federal law enforcement agency into an organization submitting the charter school proposal or a criminal investigation by a local, state, or federal law enforcement agency into any member of the governing body of that organization. For the

purposes of this subdivision (14.5), a known investigation means a request for an interview by a law enforcement agency, a subpoena, an arrest, or an indictment. Such disclosure is required for a period from the initial application submission through 10 business days prior to the authorizer's scheduled decision date.

(15) Any other information reasonably required by the State Board of Education.

(b) A proposal to establish a charter school may be initiated by individuals or organizations that will have majority representation on the board of directors or other governing body of the corporation or other discrete legal entity that is to be established to operate the proposed charter school, by a board of education or an intergovernmental agreement between or among boards of education, or by the board of directors or other governing body of a discrete legal entity already existing or established to operate the proposed charter school. The individuals or organizations referred to in this subsection may be school teachers, school administrators, local school councils, colleges or universities or their faculty members, public community colleges or their instructors or other representatives, corporations, or other entities or their representatives. The proposal shall be submitted to the local school board for consideration and, if appropriate, for development of a proposed contract to be submitted to the State Board for certification under Section 27A-6.

(c) The local school board may not without the consent of the governing body of the charter school condition its approval of a charter school proposal on acceptance of an agreement to operate under State laws and regulations and local school board policies from which the charter school is otherwise exempted under this Article.

(Source: P.A. 98-739, eff. 7-16-14; 98-1048, eff. 8-25-14; 99-78, eff. 7-20-15; 99-334, eff. 8-10-15.)

(105 ILCS 5/27A-7.5)

Sec. 27A-7.5. State Charter School Commission.

(a) A State Charter School Commission is established as an independent commission with statewide chartering jurisdiction and authority. The Commission shall be under the State Board for administrative purposes only.

(a-5) The State Board shall provide administrative support to the Commission as needed.

(b) The Commission is responsible for authorizing high-quality charter schools throughout this State, particularly schools designed to expand opportunities for at-risk students, consistent with the purposes of this Article.

(c) The Commission shall consist of 9 members, appointed by the State Board. The State Board shall make these appointments from a slate of candidates proposed by the Governor, within 60 days after the effective date of this amendatory Act of the 97th General Assembly with respect to

the initial Commission members. In making the appointments, the State Board shall ensure statewide geographic diversity among Commission members. The Governor shall propose a slate of candidates to the State Board within 60 days after the effective date of this amendatory Act of the 97th General Assembly and 60 days prior to the expiration of the term of a member thereafter. If the Governor fails to timely propose a slate of candidates according to the provisions of this subsection (c), then the State Board may appoint the member or members of the Commission.

(d) Members appointed to the Commission shall collectively possess strong experience and expertise in public and nonprofit governance, management and finance, public school leadership, higher education, assessments, curriculum and instruction, and public education law. All members of the Commission shall have demonstrated understanding of and a commitment to public education, including without limitation charter schooling. At least 3 members must have past experience with urban charter schools.

(e) To establish staggered terms of office, the initial term of office for 3 Commission members shall be 4 years and thereafter shall be 4 years; the initial term of office for another 3 members shall be 3 years and thereafter shall be 4 years; and the initial term of office for the remaining 3 members shall be 2 years and thereafter shall be 4 years. The initial appointments must be made no later than October 1, 2011.

(f) Whenever a vacancy on the Commission exists, the State Board shall appoint a member for the remaining portion of the term.

(g) Subject to the State Officials and Employees Ethics Act, the Commission is authorized to receive and expend gifts, grants, and donations of any kind from any public or private entity to carry out the purposes of this Article, subject to the terms and conditions under which they are given, provided that all such terms and conditions are permissible under law. Funds received under this subsection (g) must be deposited into the State Charter School Commission Fund.

The State Charter School Commission Fund is created as a special fund in the State treasury. All money in the Fund shall be used, subject to appropriation, by the State Board, acting on behalf and with the consent of the Commission, for operational and administrative costs of the Commission.

Subject to appropriation, any funds appropriated for use by the State Board, acting on behalf and with the consent of the Commission, may be used for the following purposes, without limitation: personal services, contractual services, and other operational and administrative costs. The State Board is further authorized to make expenditures with respect to any other amounts deposited in accordance with law into the State Charter School Commission Fund.

(g-5) Funds or spending authority for the operation and administrative costs of the Commission shall be appropriated to the State Board in a separate line item. The State Superintendent of Education may not reduce or modify the budget of the Commission or use funds appropriated to the Commission without the approval of the Commission.

(h) The Commission shall operate with dedicated resources and staff qualified to execute the day-to-day responsibilities of charter school authorizing in accordance with this Article. The Commission may employ and fix the compensation of such employees and technical assistants as it deems necessary to carry out its powers and duties under this Article, without regard to the requirements of any civil service or personnel statute; and may establish and administer standards of classification of all such persons with respect to their compensation, duties, performance, and tenure and enter into contracts of employment with such persons for such periods and on such terms as the Commission deems desirable.

(i) Every 2 years, the Commission shall provide to the State Board and local school boards a report on best practices in charter school authorizing, including without limitation evaluating applications, oversight of charters, and renewal of charter schools.

(j) The Commission may charge a charter school that it authorizes a fee, not to exceed 3% of the revenue provided to the school, to cover the cost of undertaking the ongoing administrative responsibilities of the eligible chartering authority with respect to the school. This fee must be deposited into the State Charter School Commission Fund.

(k) Any charter school authorized by the State Board prior to this amendatory Act of the 97th General Assembly shall have its authorization transferred to the Commission upon a vote of the State Board, which shall then become the school's authorizer for all purposes under this Article. However, in no case shall such transfer take place later than July 1, 2012. At this time, all of the powers, duties, assets, liabilities, contracts, property, records, and pending business of the State Board as the school's authorizer must be transferred to the Commission. Any charter school authorized by a local school board or boards may seek transfer of authorization to the Commission during its current term only with the approval of the local school board or boards. At the end of its charter term, a charter school authorized by a local school board or boards must reapply to the board or boards before it may apply for authorization to the Commission under the terms of this amendatory Act of the 97th General Assembly.

On the effective date of this amendatory Act of the 97th General Assembly, all rules of the State Board applicable to matters falling within the responsibility of the Commission shall be applicable to the actions of the Commission. The Commission shall thereafter have the authority to propose to the State Board modifications to all rules applicable to matters falling within the responsibility of the Commission. The State Board shall retain rulemaking authority for the Commission, but shall work jointly with the Commission on any proposed modifications. Upon recommendation of proposed rule modifications by the Commission and pursuant to the Illinois Administrative Procedure Act, the State Board shall consider such changes within the intent of this amendatory Act of the 97th General Assembly and grant any and all changes consistent with that intent.

(l) The Commission shall have the responsibility to consider appeals under this Article immediately upon

appointment of the initial members of the Commission under subsection (c) of this Section. Appeals pending at the time of initial appointment shall be determined by the Commission; the Commission may extend the time for review as necessary for thorough review, but in no case shall the extension exceed the time that would have been available had the appeal been submitted to the Commission on the date of appointment of its initial members. In any appeal filed with the Commission under this Article, both the applicant and the school district in which the charter school plans to locate shall have the right to request a hearing before the Commission. If more than one entity requests a hearing, then the Commission may hold only one hearing, wherein the applicant and the school district shall have an equal opportunity to present their respective positions.

(Source: P.A. 97-152, eff. 7-20-11; 97-641, eff. 12-19-11; 97-1156, eff. 1-25-13.)

(105 ILCS 5/27A-7.10)

Sec. 27A-7.10. Authorizer powers and duties; immunity; principles and standards.

(a) Authorizers are responsible for executing, in accordance with this Article, all of the following powers and duties:

(1) Soliciting and evaluating charter applications.

(2) Approving quality charter applications that meet identified educational needs and promote a diversity of educational choices.

(3) Declining to approve weak or inadequate charter applications.

(4) Negotiating and executing sound charter contracts with each approved charter school.

(5) Monitoring, in accordance with charter contract terms, the performance and legal compliance of charter schools.

(6) Determining whether each charter contract merits renewal, nonrenewal, or revocation.

(b) An authorizing entity may delegate its duties to officers, employees, and contractors.

(c) Regulation by authorizers is limited to the powers and duties set forth in subsection (a) of this Section and must be consistent with the spirit and intent of this Article.

(d) An authorizing entity, members of the local school board, or the Commission, in their official capacity, and employees of an authorizer are immune from civil and criminal liability with respect to all activities related to a charter school that they authorize, except for willful or wanton misconduct.

(e) The Commission and all local school boards that have a charter school operating are required to develop and maintain chartering policies and practices consistent with recognized principles and standards for quality charter authorizing in all major areas of authorizing responsibility, including all

of the following:

- (1) Organizational capacity and infrastructure.
- (2) Soliciting and evaluating charter applications.
- (3) Performance contracting.
- (4) Ongoing charter school oversight and evaluation.
- (5) Charter renewal decision-making.

Authorizers shall carry out all their duties under this Article in a manner consistent with nationally recognized principles and standards and with the spirit and intent of this Article.

(Source: P.A. 97-152, eff. 7-20-11.)

(105 ILCS 5/27A-8)

Sec. 27A-8. Evaluation of charter proposals.

(a) This Section does not apply to a charter school established by referendum under Section 27A-6.5. In evaluating any charter school proposal submitted to it, the local school board and the Commission shall give preference to proposals that:

- (1) demonstrate a high level of local pupil, parental, community, business, and school personnel support;
- (2) set rigorous levels of expected pupil achievement and demonstrate feasible plans for attaining those levels of achievement; and
- (3) are designed to enroll and serve a substantial proportion of at-risk children; provided that nothing in the Charter Schools Law shall be construed as intended to limit the establishment of charter schools to those that serve a substantial portion of at-risk children or to in any manner restrict, limit, or discourage the establishment of charter schools that enroll and serve other pupil populations under a nonexclusive, nondiscriminatory admissions policy.

(b) In the case of a proposal to establish a charter school by converting an existing public school or attendance center to charter school status, evidence that the proposed formation of the charter school has received majority support from certified teachers and from parents and guardians in the school or attendance center affected by the proposed charter, and, if applicable, from a local school council, shall be demonstrated by a petition in support of the charter school signed by certified teachers and a petition in support of the charter school signed by parents and guardians and, if applicable, by a vote of the local school council held at a public meeting. In the case of all other proposals to establish a charter school, evidence of sufficient support to fill the number of pupil seats set forth in the proposal may be demonstrated by a petition in support of the charter school signed by parents and guardians of students eligible to attend the charter school. In all cases, the individuals, organizations, or entities who initiate the proposal to establish a charter school may elect, in lieu of including any

petition referred to in this subsection as a part of the proposal submitted to the local school board, to demonstrate that the charter school has received the support referred to in this subsection by other evidence and information presented at the public meeting that the local school board is required to convene under this Section.

(c) Within 45 days of receipt of a charter school proposal, the local school board shall convene a public meeting to obtain information to assist the board in its decision to grant or deny the charter school proposal. A local school board may develop its own process for receiving charter school proposals on an annual basis that follows the same timeframes as set forth in this Article. Only after the local school board process is followed may a charter school applicant appeal to the Commission.

(d) Notice of the public meeting required by this Section shall be published in a community newspaper published in the school district in which the proposed charter is located and, if there is no such newspaper, then in a newspaper published in the county and having circulation in the school district. The notices shall be published not more than 10 days nor less than 5 days before the meeting and shall state that information regarding a charter school proposal will be heard at the meeting. Copies of the notice shall also be posted at appropriate locations in the school or attendance center proposed to be established as a charter school, the public schools in the school district, and the local school board office. If 45 days pass without the local school board holding a public meeting, then the charter applicant may submit the proposal to the Commission, where it must be addressed in accordance with the provisions set forth in subsection (g) of this Section.

(e) Within 30 days of the public meeting, the local school board shall vote, in a public meeting, to either grant or deny the charter school proposal. If the local school board has not voted in a public meeting within 30 days after the public meeting, then the charter applicant may submit the proposal to the Commission, where it must be addressed in accordance with the provisions set forth in subsection (g) of this Section.

(f) Within 7 days of the public meeting required under subsection (e) of this Section, the local school board shall file a report with the State Board granting or denying the proposal. If the local school board has approved the proposal, within 30 days of receipt of the local school board's report, the State Board shall determine whether the approved charter proposal is consistent with the provisions of this Article and, if the approved proposal complies, certify the proposal pursuant to Section 27A-6.

(g) If the local school board votes to deny the proposal, then the charter school applicant has 30 days from the date of that vote to submit an appeal to the Commission. In such instances or in those instances referenced in subsections (d) and (e) of this Section, the Commission shall follow the same process and be subject to the same timelines for review as the local school board.

(h) The Commission may reverse a local school board's decision to deny a charter school proposal if the Commission

finds that the proposal (i) is in compliance with this Article and (ii) is in the best interests of the students the charter school is designed to serve. Final decisions of the Commission are subject to judicial review under the Administrative Review Law.

(i) In the case of a charter school proposed to be jointly authorized by 2 or more school districts, the local school boards may unanimously deny the charter school proposal with a statement that the local school boards are not opposed to the charter school, but that they yield to the Commission in light of the complexities of joint administration.

(Source: P.A. 96-105, eff. 7-30-09; 96-734, eff. 8-25-09; 96-1000, eff. 7-2-10; 97-152, eff. 7-20-11.)

(105 ILCS 5/27A-9)

Sec. 27A-9. Term of charter; renewal.

(a) A charter may be granted for a period not less than 5 and not more than 10 school years. A charter may be renewed in incremental periods not to exceed 5 school years.

(b) A charter school renewal proposal submitted to the local school board or the Commission, as the chartering entity, shall contain:

(1) A report on the progress of the charter school in achieving the goals, objectives, pupil performance standards, content standards, and other terms of the initial approved charter proposal; and

(2) A financial statement that discloses the costs of administration, instruction, and other spending categories for the charter school that is understandable to the general public and that will allow comparison of those costs to other schools or other comparable organizations, in a format required by the State Board.

(c) A charter may be revoked or not renewed if the local school board or the Commission, as the chartering entity, clearly demonstrates that the charter school did any of the following, or otherwise failed to comply with the requirements of this law:

(1) Committed a material violation of any of the conditions, standards, or procedures set forth in the charter.

(2) Failed to meet or make reasonable progress toward achievement of the content standards or pupil performance standards identified in the charter.

(3) Failed to meet generally accepted standards of fiscal management.

(4) Violated any provision of law from which the charter school was not exempted.

In the case of revocation, the local school board or the Commission, as the chartering entity, shall notify the charter school in writing of the reason why the charter is subject to revocation. The charter school shall submit a written plan to the local school board or the Commission, whichever is applicable, to rectify the problem. The plan shall include a

timeline for implementation, which shall not exceed 2 years or the date of the charter's expiration, whichever is earlier. If the local school board or the Commission, as the chartering entity, finds that the charter school has failed to implement the plan of remediation and adhere to the timeline, then the chartering entity shall revoke the charter. Except in situations of an emergency where the health, safety, or education of the charter school's students is at risk, the revocation shall take place at the end of a school year. Nothing in this amendatory Act of the 96th General Assembly shall be construed to prohibit an implementation timetable that is less than 2 years in duration.

(d) (Blank).

(e) Notice of a local school board's decision to deny, revoke or not to renew a charter shall be provided to the Commission and the State Board. The Commission may reverse a local board's decision if the Commission finds that the charter school or charter school proposal (i) is in compliance with this Article, and (ii) is in the best interests of the students it is designed to serve. The Commission may condition the granting of an appeal on the acceptance by the charter school of funding in an amount less than that requested in the proposal submitted to the local school board. Final decisions of the Commission shall be subject to judicial review under the Administrative Review Law.

(f) Notwithstanding other provisions of this Article, if the Commission on appeal reverses a local board's decision or if a charter school is approved by referendum, the Commission shall act as the authorized chartering entity for the charter school. The Commission shall approve the charter and shall perform all functions under this Article otherwise performed by the local school board. The State Board shall determine whether the charter proposal approved by the Commission is consistent with the provisions of this Article and, if the approved proposal complies, certify the proposal pursuant to this Article. The State Board shall report the aggregate number of charter school pupils resident in a school district to that district and shall notify the district of the amount of funding to be paid by the State Board to the charter school enrolling such students. The Commission shall require the charter school to maintain accurate records of daily attendance that shall be deemed sufficient to file claims under Section 18-8.05 notwithstanding any other requirements of that Section regarding hours of instruction and teacher certification. The State Board shall withhold from funds otherwise due the district the funds authorized by this Article to be paid to the charter school and shall pay such amounts to the charter school.

(g) For charter schools authorized by the Commission, the Commission shall quarterly certify to the State Board the student enrollment for each of its charter schools.

(h) For charter schools authorized by the Commission, the State Board shall pay directly to a charter school any federal or State aid attributable to a student with a disability attending the school.

(Source: P.A. 97-152, eff. 7-20-11; 98-739, eff. 7-16-14.)

(105 ILCS 5/27A-10)

Sec. 27A-10. Employees.

(a) A person shall be deemed to be employed by a charter school unless a collective bargaining agreement or the charter school contract otherwise provides.

(b) In all school districts, including special charter districts and districts located in cities having a population exceeding 500,000, the local school board shall determine by policy or by negotiated agreement, if one exists, the employment status of any school district employees who are employed by a charter school and who seek to return to employment in the public schools of the district. Each local school board shall grant, for a period of up to 5 years, a leave of absence to those of its teachers who accept employment with a charter school. At the end of the authorized leave of absence, the teacher must return to the school district or resign; provided, however, that if the teacher chooses to return to the school district, the teacher must be assigned to a position which requires the teacher's certification and legal qualifications. The contractual continued service status and retirement benefits of a teacher of the district who is granted a leave of absence to accept employment with a charter school shall not be affected by that leave of absence.

(c) Charter schools shall employ in instructional positions, as defined in the charter, individuals who are certificated under Article 21 of this Code or who possess the following qualifications:

(i) graduated with a bachelor's degree from an accredited institution of higher learning;

(ii) been employed for a period of at least 5 years in an area requiring application of the individual's education;

(iii) passed the tests of basic skills and subject matter knowledge required by Section 21-1a of the School Code; and

(iv) demonstrate continuing evidence of professional growth which shall include, but not be limited to, successful teaching experience, attendance at professional meetings, membership in professional organizations, additional credits earned at institutions of higher learning, travel specifically for educational purposes, and reading of professional books and periodicals.

(c-5) Charter schools employing individuals without certification in instructional positions shall provide such mentoring, training, and staff development for those individuals as the charter schools determine necessary for satisfactory performance in the classroom.

At least 50% of the individuals employed in instructional positions by a charter school that is operating in a city having a population exceeding 500,000 and that is established on or after April 16, 2003 shall hold teaching certificates issued under Article 21 of this Code.

At least 75% of the individuals employed in instructional positions by a charter school that is operating in a city having a population exceeding 500,000 and that was established before April 16, 2003 shall hold teaching certificates issued under Article 21 of this Code.

(c-10) Notwithstanding any provision in subsection (c-5) to the contrary, in any charter school established before the effective date of this amendatory Act of the 96th General Assembly, at least 75% of the individuals employed in instructional positions by the charter school shall hold teaching certificates issued under Article 21 of this Code beginning with the 2012-2013 school year. In any charter school established after the effective date of this amendatory Act of the 96th General Assembly, at least 75% of the individuals employed in instructional positions by a charter school shall hold teaching certificates issued under Article 21 of this Code by the beginning of the fourth school year during which a student is enrolled in the charter school. Charter schools may employ non-certificated staff in all other positions.

(c-15) Charter schools are exempt from any annual cap on new participants in an alternative certification program. The second and third phases of the alternative certification program may be conducted and completed at the charter school, and the alternative teaching certificate is valid for 4 years or the length of the charter (or any extension of the charter), whichever is longer.

(d) A teacher at a charter school may resign his or her position only if the teacher gives notice of resignation to the charter school's governing body at least 60 days before the end of the school term, and the resignation must take effect immediately upon the end of the school term.
(Source: P.A. 96-105, eff. 7-30-09.)

(105 ILCS 5/27A-10.5)

Sec. 27A-10.5. Educational or charter management organization.

(a) In this Section:

"CMO" means a charter management organization.

"EMO" means an educational management organization.

(b) All authorizers shall ensure that any charter school established on or after the effective date of this amendatory Act of the 98th General Assembly has a governing body that is separate and distinct from the governing body of any CMO or EMO. In reviewing charter applications and charter renewal applications, authorizers shall review the governance model proposed by the applicant to ensure that there are no conflicts of interest.

(c) No charter school may employ a staff person who is simultaneously employed by an EMO or CMO.

(Source: P.A. 98-783, eff. 1-1-15.)

(105 ILCS 5/27A-10.10)

Sec. 27A-10.10. Closure of charter school; unspent public funds; procedures for the disposition of property and assets.

(a) Upon the closing of a charter school authorized by one or more local school boards, the governing body of the charter school or its designee shall refund to the chartering entity or entities all unspent public funds. The charter school's other property and assets shall be disposed of under the provisions of the charter application and contract. If the application and contract are silent or ambiguous as to the disposition of any of the school's property or assets, any property or assets of the charter school purchased with public funds shall be returned to the school district or districts from which the charter school draws enrollment, at no cost to the receiving district or districts, subject to each district's acceptance of the property or asset. Any unspent public funds or other property or assets received by the charter school directly from any State or federal agency shall be refunded to or revert back to that State or federal agency, respectively.

(b) Upon the closing of a charter school authorized by the Commission, the governing body of the charter school or its designee shall refund all unspent public funds to the State Board of Education. The charter school's other property and assets shall be disposed of under the provisions of the charter application and contract. If the application and contract are silent or ambiguous as to the disposition of any of the school's property or assets, any property or assets of the charter school purchased with public funds shall be returned to the school district or districts from which the charter school draws its enrollment, at no cost to the receiving district or districts, subject to each district's acceptance of the property or asset. Any unspent public funds or other property or assets provided by a State agency other than the State Board of Education or by a federal agency shall be refunded to or revert back to that State or federal agency, respectively.

(Source: P.A. 98-783, eff. 1-1-15.)

(105 ILCS 5/27A-11)

Sec. 27A-11. Local financing.

(a) For purposes of the School Code, pupils enrolled in a charter school shall be included in the pupil enrollment of the school district within which the pupil resides. Each charter school (i) shall determine the school district in which each pupil who is enrolled in the charter school resides, (ii) shall report the aggregate number of pupils resident of a school district who are enrolled in the charter school to the school district in which those pupils reside, and (iii) shall maintain accurate records of daily attendance

that shall be deemed sufficient to file claims under Section 18-8 notwithstanding any other requirements of that Section regarding hours of instruction and teacher certification.

(b) Except for a charter school established by referendum under Section 27A-6.5, as part of a charter school contract, the charter school and the local school board shall agree on funding and any services to be provided by the school district to the charter school. Agreed funding that a charter school is to receive from the local school board for a school year shall be paid in equal quarterly installments with the payment of the installment for the first quarter being made not later than July 1, unless the charter establishes a different payment schedule. However, if a charter school dismisses a pupil from the charter school after receiving a quarterly payment, the charter school shall return to the school district, on a quarterly basis, the prorated portion of public funding provided for the education of that pupil for the time the student is not enrolled at the charter school. Likewise, if a pupil transfers to a charter school between quarterly payments, the school district shall provide, on a quarterly basis, a prorated portion of the public funding to the charter school to provide for the education of that pupil.

All services centrally or otherwise provided by the school district including, but not limited to, rent, food services, custodial services, maintenance, curriculum, media services, libraries, transportation, and warehousing shall be subject to negotiation between a charter school and the local school board and paid for out of the revenues negotiated pursuant to this subsection (b); provided that the local school board shall not attempt, by negotiation or otherwise, to obligate a charter school to provide pupil transportation for pupils for whom a district is not required to provide transportation under the criteria set forth in subsection (a)(13) of Section 27A-7.

In no event shall the funding be less than 75% or more than 125% of the school district's per capita student tuition multiplied by the number of students residing in the district who are enrolled in the charter school.

It is the intent of the General Assembly that funding and service agreements under this subsection (b) shall be neither a financial incentive nor a financial disincentive to the establishment of a charter school.

The charter school may set and collect reasonable fees. Fees collected from students enrolled at a charter school shall be retained by the charter school.

(c) Notwithstanding subsection (b) of this Section, the proportionate share of State and federal resources generated by students with disabilities or staff serving them shall be directed to charter schools enrolling those students by their school districts or administrative units. The proportionate share of moneys generated under other federal or State categorical aid programs shall be directed to charter schools serving students eligible for that aid.

(d) The governing body of a charter school is authorized to accept gifts, donations, or grants of any kind made to the charter school and to expend or use gifts, donations, or grants in accordance with the conditions prescribed by the

donor; however, a gift, donation, or grant may not be accepted by the governing body if it is subject to any condition contrary to applicable law or contrary to the terms of the contract between the charter school and the local school board. Charter schools shall be encouraged to solicit and utilize community volunteer speakers and other instructional resources when providing instruction on the Holocaust and other historical events.

(e) (Blank).

(f) The Commission shall provide technical assistance to persons and groups preparing or revising charter applications.

(g) At the non-renewal or revocation of its charter, each charter school shall refund to the local board of education all unspent funds.

(h) A charter school is authorized to incur temporary, short term debt to pay operating expenses in anticipation of receipt of funds from the local school board.

(Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78, eff. 7-20-15.)

(105 ILCS 5/27A-11.5)

Sec. 27A-11.5. State financing. The State Board of Education shall make the following funds available to school districts and charter schools:

(1) From a separate appropriation made to the State Board for purposes of this subdivision (1), the State Board shall make transition impact aid available to school districts that approve a new charter school or that have funds withheld by the State Board to fund a new charter school that is chartered by the Commission. The amount of the aid shall equal 90% of the per capita funding paid to the charter school during the first year of its initial charter term, 65% of the per capita funding paid to the charter school during the second year of its initial term, and 35% of the per capita funding paid to the charter school during the third year of its initial term. This transition impact aid shall be paid to the local school board in equal quarterly installments, with the payment of the installment for the first quarter being made by August 1st immediately preceding the first, second, and third years of the initial term. The district shall file an application for this aid with the State Board in a format designated by the State Board. If the appropriation is insufficient in any year to pay all approved claims, the impact aid shall be prorated. However, for fiscal year 2004, the State Board of Education shall pay approved claims only for charter schools with a valid charter granted prior to June 1, 2003. If any funds remain after these claims have been paid, then the State Board of Education may pay all other approved claims on a pro rata basis. Transition impact aid shall be paid beginning in the 1999-2000 school year for charter schools that are in the first, second, or third year of their initial term.

Transition impact aid shall not be paid for any charter school that is proposed and created by one or more boards of education, as authorized under the provisions of Public Act 91-405.

(2) From a separate appropriation made for the purpose of this subdivision (2), the State Board shall make grants to charter schools to pay their start-up costs of acquiring educational materials and supplies, textbooks, electronic textbooks and the technological equipment necessary to gain access to and use electronic textbooks, furniture, and other equipment needed during their initial term. The State Board shall annually establish the time and manner of application for these grants, which shall not exceed \$250 per student enrolled in the charter school.

(3) The Charter Schools Revolving Loan Fund is created as a special fund in the State treasury. Federal funds, such other funds as may be made available for costs associated with the establishment of charter schools in Illinois, and amounts repaid by charter schools that have received a loan from the Charter Schools Revolving Loan Fund shall be deposited into the Charter Schools Revolving Loan Fund, and the moneys in the Charter Schools Revolving Loan Fund shall be appropriated to the State Board and used to provide interest-free loans to charter schools. These funds shall be used to pay start-up costs of acquiring educational materials and supplies, textbooks, electronic textbooks and the technological equipment necessary to gain access to and use electronic textbooks, furniture, and other equipment needed in the initial term of the charter school and for acquiring and remodeling a suitable physical plant, within the initial term of the charter school. Loans shall be limited to one loan per charter school and shall not exceed \$250 per student enrolled in the charter school. A loan shall be repaid by the end of the initial term of the charter school. The State Board may deduct amounts necessary to repay the loan from funds due to the charter school or may require that the local school board that authorized the charter school deduct such amounts from funds due the charter school and remit these amounts to the State Board, provided that the local school board shall not be responsible for repayment of the loan. The State Board may use up to 3% of the appropriation to contract with a non-profit entity to administer the loan program.

(4) A charter school may apply for and receive, subject to the same restrictions applicable to school districts, any grant administered by the State Board that is available for school districts.

(Source: P.A. 98-739, eff. 7-16-14.)

(105 ILCS 5/27A-12)

Sec. 27A-12. Evaluation; report. On or before September 30

of every odd-numbered year, all local school boards with at least one charter school, as well as the Commission, shall submit to the State Board any information required by the State Board pursuant to applicable rule. On or before the second Wednesday in January of every even-numbered year, the State Board shall issue a report to the General Assembly and the Governor on its findings for the previous 2 school years. The State Board's report shall summarize all of the following:

(1) The authorizer's strategic vision for chartering and progress toward achieving that vision.

(2) The academic and financial performance of all operating charter schools overseen by the authorizer, according to the performance expectations for charter schools set forth in this Article.

(3) The status of the authorizer's charter school portfolio, identifying all charter schools in each of the following categories: approved (but not yet open), operating, renewed, transferred, revoked, not renewed, voluntarily closed, or never opened.

(4) The authorizing functions provided by the authorizer to the charter schools under its purview, including the authorizer's operating costs and expenses detailed in annual audited financial statements, which must conform with generally accepted accounting principles.

Further, in the report required by this Section, the State Board (i) shall compare the performance of charter school pupils with the performance of ethnically and economically comparable groups of pupils in other public schools who are enrolled in academically comparable courses, (ii) shall review information regarding the regulations and policies from which charter schools were released to determine if the exemptions assisted or impeded the charter schools in meeting their stated goals and objectives, and (iii) shall include suggested changes in State law necessary to strengthen charter schools.

In addition, the State Board shall undertake and report on periodic evaluations of charter schools that include evaluations of student academic achievement, the extent to which charter schools are accomplishing their missions and goals, the sufficiency of funding for charter schools, and the need for changes in the approval process for charter schools.

Based on the information that the State Board receives from authorizers and the State Board's ongoing monitoring of both charter schools and authorizers, the State Board has the power to remove the power to authorize from any authorizer in this State if the authorizer does not demonstrate a commitment to high-quality authorization practices and, if necessary, revoke the chronically low-performing charters authorized by the authorizer at the time of the removal. The State Board shall adopt rules as needed to carry out this power, including provisions to determine the status of schools authorized by an authorizer whose authorizing power is revoked.

(Source: P.A. 96-105, eff. 7-30-09; 97-152, eff. 7-20-11.)

(105 ILCS 5/27A-13)

Sec. 27A-13. Rules. The State Board of Education is authorized to adopt any rules not inconsistent with this Article that it deems necessary to implement and accomplish the purposes and provisions of this Article.

(Source: P.A. 89-450, eff. 4-10-96.)

(105 ILCS 5/27A-14)

Sec. 27A-14. (Repealed).

(Source: P.A. 96-105, eff. 7-30-09. Repealed internally, eff. 1-10-10.)

EXHIBIT B

TITLE 23: EDUCATION AND CULTURAL RESOURCES

SUBTITLE A: EDUCATION

CHAPTER I: STATE BOARD OF EDUCATION

SUBCHAPTER 0: MISCELLANEOUS

PART 650

CHARTER SCHOOLS

SUBPART A: GENERAL PROVISIONS

Section

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650.20 Purpose

SUBPART B: ACTIONS OF THE STATE BOARD OF EDUCATION

Section

650.30 Submission to the State Board of Education: Local Boards of Education

650.35 Submission to the State Board of Education: Commission

650.40 Review by the State Superintendent of Education of Local or Commission Approvals

650.50 Revision of Certified Charters

650.55 Biennial Reporting Requirements

650.60 Appeal of Local School Board Decisions (Repealed)

650.65 Monitoring of Charter Authorizers by the State Board of Education; Corrective Action

650.70 Procedures for Closing a Charter School

SUBPART C: ACTIONS OF THE STATE CHARTER SCHOOL COMMISSION

Section

650.100 Appeals to, and Requests for Consideration by, the Commission

650.110 Review of Appeals and Requests for Consideration; Decision

650.APPENDIX A Principles and Standards for Authorizing Charter Schools

AUTHORITY: Implementing and authorized by Article 27A of the School Code [105 ILCS 5/Art. 27A].

SOURCE: Emergency rules adopted at 20 Ill. Reg. 6329, effective April 23, 1996, for a maximum of 150 days; emergency expired; emergency amendment at 20 Ill. Reg. 8677, effective June 25, 1996, for a maximum of 150 days; new Part adopted at 20 Ill. Reg. 15284, effective November 15, 1996; emergency amendments at 22 Ill. Reg. 1479, effective January 1, 1998, for

a maximum of 150 days; emergency expired; emergency amendment at 22 Ill. Reg. 5104, effective February 27, 1998, for a maximum of 150 days; emergency expired; amended at 22 Ill. Reg. 16455, effective September 3, 1998; amended at 36 Ill. Reg. 14801, effective September 20, 2012; amended at 38 Ill. Reg. 21916, effective November 3, 2014; amended at 39 Ill. Reg. 8298, effective May 26, 2015.

SUBPART A: GENERAL PROVISIONS

Section 650.10 Definitions

"Article 27A of the School Code" or the "Charter Schools Law" means 105 ILCS 5/Art. 27A.

"Authorizer" has the meaning set forth in Section 27A-3 of the School Code and includes the Commission.

"Commission" means the State Charter School Commission (see Section 27A-7.5 of the School Code).

"Day" means calendar day, unless otherwise specified in this Part. The time within which any action required under this Part must occur shall be determined in accordance with the provisions of Section 1.11 of the Statute on Statutes [5 ILCS 70/1.11].

"School Code" means 105 ILCS 5.

(Source: Amended at 38 Ill. Reg. 21916, effective November 3, 2014)

Section 650.20 Purpose

Article 27A of the School Code sets forth the requirements for a charter school and the procedure for consideration of a charter school proposal by a local board of education, by two or more local boards of education pursuant to Section 27A-4(e) of the School Code, or by the Commission.

- a) This Part sets forth the procedures applicable to reporting to the State Board of Education by local school boards and the Commission of the submission of charter school proposals, as required by Sections 27A-8(f) and 27A-9(e) and (f) of the School Code, and of reporting of data regarding the charter schools under the authorizer, as required by Section 27A-12 of the School Code.
- b) This Part further sets forth procedures for appeals to the Commission of local board of education decisions under Section 27A-9 of the School Code and for the orderly closing of charter schools.
- c) This Part also sets forth the procedures for the State Board of Education to remove the power of authorizers to authorize charter schools as provided under Section 27A-12 of the School Code.

(Source: Amended at 38 Ill. Reg. 21916, effective November 3, 2014)

SUBPART B: ACTIONS OF THE STATE BOARD OF EDUCATION

Section 650.30 Submission to the State Board of Education: Local Boards of Education

Local boards of education shall submit a final report to the State Board of Education as to the action by the local boards of education with regard to an application for, renewal of or revocation of a charter. A copy of the report shall be provided to the applicant or charter holder at the same time that the report is submitted to the State Board of Education. Reports shall be submitted as follows.

- a) The local board of education shall submit the report to the State Board of Education either by electronic mail or U.S. mail to the address in subsection (e) not later than seven days after the date of the public meeting at which the board acted on the charter request.
 - 1) For reports submitted by U.S. mail, the report must bear a postmark date of not later than seven days following the meeting date.
 - 2) In case of separate public meetings by each school board involved, the seven days shall begin when the last school board votes on the matter.
- b) Section 27A-6 of the School Code provides that a *proposed contract* to open a new charter school or to renew the charter of an existing charter school *must be submitted to and certified by the State Board before it can take effect*.
 - 1) Reports of approved applications or renewals shall consist of the charter school proposal voted upon by each of the local boards of education authorizing the charter school and the contractual agreement.
 - 2) The report also shall be accompanied by each of the forms, to be supplied by the State Superintendent of Education, listed in this subsection (b)(2). Reports lacking one or more of these documents shall be considered incomplete and shall not be reviewed for certification until all required items have been submitted.
 - A) A form attesting to the local board of education's compliance with all of the procedural requirements and application components set forth in Article 27A of the School Code. The form and the proposed contractual agreement shall be signed by the president of each local school board that is a party to the application and the appropriate officers of the charter school governing body.

SUBTITLE A

SUBCHAPTER 0

- B) A budget narrative and financial schedule for the term of the charter.
 - C) A plan for the provision of special education services to students with disabilities enrolled in the charter school that aligns to the requirements of Article 14 of the School Code [105 ILCS 5/Art. 14] and 23 Ill. Adm. Code 226 (Special Education), and which, for approved applications, shall at least include, but not be limited to, an explanation of how parents of students with disabilities will be informed of their students' eligibility to participate in the charter school lottery held pursuant to Section 27A-4(h) of the School Code and how the charter school will identify students who may be eligible to receive special education services at the charter school.
 - D) A plan for the provision of educational services for English learners that aligns to the requirements of Article 14C of the School Code [105 ILCS 5/Art. 14C] and 23 Ill. Adm. Code 228 (Transitional Bilingual Education).
- c) Reports of denials, revocations or non-renewals shall consist of the charter proposal or current charter contract voted upon by each of the local boards of education; a copy of each board's resolution setting forth the board's action and its reasons for the action; a notice to the applicant or charter holder to the effect that a denial, revocation or non-renewal of a charter school application or contract may be appealed to the Commission within 30 days from the date that the school board voted to deny the application or revoke or not renew a contract; and any other documents upon which the board relied in denying the current proposal or revoking or not renewing the contract.
 - d) Each submission under subsection (b) or (c) also shall include a certification of publication and a copy of the printed notice of the public meeting for each local board of education involved, as required by Section 27A-8(d) of the School Code.
 - e) Reports shall be submitted via electronic submission to charter@isbe.net or by certified mail, return receipt requested, addressed to:

Illinois State Board of Education
Charter Schools
100 West Randolph Street
Suite 14-300
Chicago, Illinois 60601

- f) Reports and other documentation pertaining to denials, revocations or non-renewals also shall be submitted to the Commission within the timeframe set forth in subsection (a) via electronic submission to state.charter.commission@illinois.gov or by certified mail, return receipt requested, addressed to:

State Charter School Commission
Michael A. Bilandic Building
160 North LaSalle Street, 6th Floor
Chicago, Illinois 60601

(Source: Amended at 39 Ill. Reg. 8298, effective May 26, 2015)

Section 650.35 Submission to the State Board of Education: Commission

- a) Section 27A-9(f) of the School Code provides that, in the event that the Commission *on appeal reverses a local board's decision or if a charter school is approved by referendum, the Commission shall act as the authorized chartering entity for the charter school. The State Board shall determine whether the charter proposal approved by the Commission is consistent with the provisions of Article 27A of the School Code and, if the approved proposal complies, certify the proposal.*
- 1) The Commission shall submit a final report to the State Board of Education, in the manner set forth in Section 650.30(a), as to any decision to reverse, on appeal, a local school board's determination with respect to a charter application or renewal, or to approve a charter school proposal established by referendum.
 - 2) Reports of a reversal on appeal or approval of charters established by referendum shall contain the charter school proposal and the contractual agreement. The report also shall be accompanied by each of the forms listed in Section 650.30(b). Forms that require signature shall be signed by the executive director of the Commission and the appropriate officers of the charter school governing body.
- b) The Commission also shall submit reports of renewal of its charters in the manner set forth in Section 650.30(a). The report shall be accompanied by each of the forms listed in Section 650.30(b). Forms that require signature shall be signed by the executive director of the Commission and the appropriate officers of the charter school governing body.
- c) Reports of denials, revocations or non-renewals shall consist of the charter proposal or current charter contract voted upon by the Commission; a copy of the Commission's resolution setting forth its action and the reasons for the action; and any other documents upon which the Commission relied in denying the current proposal or revoking or not renewing the contract.

(Source: Added at 39 Ill. Reg. 8298, effective May 26, 2015)

Section 650.40 Review by the State Superintendent of Education of Local or Commission Approvals

- a) The State Superintendent shall review each report of an approved application, revision or renewal to determine whether the statutory requirements have been followed and the proposed contractual agreement is complete and compliant with the provisions of Article 27A of the School Code. Proposed contractual agreements that are complete and compliant with the provisions of Article 27A of the School Code shall be certified by the State Superintendent until the maximum authorized numbers of charter schools have been reached. The State Superintendent shall send a certification of the charter to each local school board that is a party to the application or the Commission, as applicable, and the charter school governing body.
- b) If a report is incomplete or a proposed contractual agreement fails to comply with any applicable law, the State Superintendent shall so notify each submitting school board or the Commission, as applicable, and the applicant or charter holder, identifying the areas of deficiency that must be remedied before the proposal can be considered for certification.
- c) The State Superintendent shall notify each local school board that is a party to the application or the Commission, as applicable, and the applicant or charter holder as to a determination made with respect to a report of an approved application, renewal or revision by certified mail within 30 days after receipt of the report (Section 27A-8(f) of the School Code).

(Source: Amended at 36 Ill. Reg. 14801, effective September 20, 2012)

Section 650.50 Revision of Certified Charters

- a) A material revision to a previously certified contract may go into effect immediately upon approval of both the authorizer and the governing body of the charter school. Should either the authorizer or the governing body of the charter school request in writing that the State Superintendent certify the material revision as being consistent with the provisions of Article 27A, the material revision shall not take effect unless and until the State Superintendent so certifies. (Section 27A-6(e) of the School Code)
 - 1) A request for the State Superintendent to certify a material revision shall consist of the revised contractual agreement, any other materials that describe the need for the material revision, and an explanation from the local authorizer and/or charter school governing body as to any legal concerns raised by the material revision.
 - 2) The request also shall be accompanied by the forms specified in Section 650.30(b)(2)(A) and may include the forms specified in Section 650.30(b)(2)(B), (b)(2)(C) or (b)(2)(D), as applicable to the proposed revision.
- b) A request for certification of a proposed revision shall be submitted to the State Board of Education in the manner set forth in Section 650.30(e). Within 30 days after receiving the request for certification, the State Superintendent shall either:
 - 1) Certify that the proposed revision is consistent with the provisions of Article 27A of the School Code; or
 - 2) Request additional information as may be needed to render a decision.
- c) The following revisions to a certified contract or a renewal are considered material for purposes of this Section. Any proposed revision not listed in this subsection (c), except those set forth in subsection (d), should be presumed material and shall be subject to the requirements of this Section.
 - 1) Enrollment growth beyond 20 percent or expansion beyond the grade levels listed in the certified charter.
 - 2) Transferring the charter to another non-profit entity.
 - 3) Altering the mission of the charter or the targeted student population.
 - 4) Employing or terminating a management company.

- 5) Any change to the charter with respect to the National School Lunch Program (7 CFR 210.10 (2012)).
 - 6) Any change to the charter with respect to the provision of student transportation.
- d) The following revisions to a certified contract are not considered material for purposes of this Section.
- 1) Bylaws.
 - 2) Relocation.
 - 3) The name of the charter school.
 - 4) The articles of incorporation.
 - 5) Class sizes as stated in the application.
 - 6) Length of school day and/or academic year.
 - 7) Curriculum changes.

(Source: Amended at 39 Ill. Reg. 8298, effective May 26, 2015)

Section 650.55 Biennial Reporting Requirements

- a) No later than September 30 of every odd-numbered year, each authorizer shall submit a report to the State Board of Education that shall respond at least to the reporting elements set forth in Section 27A-12 of the School Code. The State Superintendent of Education shall develop and post at <http://www.isbe.net/charter/Default.htm> by January 30 of each odd-numbered year a standard form that shall be used for this purpose.
- b) The report shall include, but not be limited to, the information specified in this subsection (b), to be reported for each of the two school years immediately preceding submission of the report.
 - 1) The name, job title and contact information for each person who has principal responsibilities relative to the authorization of charter schools and, if applicable, the name of each contractor so engaged and a description of its authorizing responsibilities.
 - 2) Information relative to the authorizer's strategic vision for chartering, strategies for accomplishing that vision and an assessment of progress toward achieving that vision.
 - 3) Information relative to the chartering policies and practices developed and maintained by the authorizer, including but not limited to:
 - A) Solicitation and evaluation of charter applications;
 - B) Decision-making processes regarding new charter approvals;
 - C) Negotiation processes to ensure execution of sound charter contracts with clear performance standards established for each approved charter school;
 - D) Ongoing charter school oversight and evaluation;
 - E) Charter renewal decision-making; and
 - F) Charter school non-renewal or revocation decision-making.
 - 4) The status of the authorizer's charter school portfolio in each of the following categories:

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- A) For any charter school that has been approved but is not opened by the date the authorizer submits its report to the State Board of Education:
- i) the targeted student population and the community the school hopes to serve;
 - ii) the location or geographic area proposed for the school;
 - iii) the projected enrollment;
 - iv) the grades to be operated during each year in the term of the charter contract;
 - v) the names and contact information for the governing board; and
 - vi) the planned date for opening.
- B) The number of charter schools operating in each of the following categories:
- i) Charter schools operating more than one campus under a single charter agreement;
 - ii) Virtual charter schools;
 - iii) Charter schools devoted exclusively to students from low-performing or overcrowded schools; and
 - iv) Charter schools devoted exclusively to re-enrolled high school dropouts and/or students at risk of dropping out.
- C) Information relative to each charter school whose charter was renewed, to include at least the date of renewal.
- D) Information relative to each charter school whose charter was transferred to another authorizer, to include at least the effective date of the transfer.
- E) Information relative to each charter school whose charter was not renewed or was revoked, to include at least the effective date of and reasons for the non-renewal or revocation.

- F) Information relative to each charter school that was voluntarily closed, to include at least the effective date of the closure.
 - G) Information relative to each charter school that was approved but was never opened and has no planned date for opening.
- 5) The total student enrollment by September 30 of the applicable school year for all charter schools authorized by the authorizer.
 - 6) Information relative to the academic and financial performance of each of the authorizer's operating charter schools, to include at least data related to the performance expectations for charter schools set forth in Section 2-3.64 of the School Code or the charter contract.
 - 7) The authorizer's operating costs and expenses associated with the performance of the powers and duties enumerated in Section 27A-7.10(a) of the School Code and any additional duties set forth in the terms of each charter contract.
 - 8) A description of the general categories of services provided by the authorizer to the charter schools in its portfolio pursuant to Section 27A-11(b) of the School Code, as set forth in the charter school contracts, and an itemized accounting of the revenue the authorizer received from its charter schools for a particular service and the authorizer's actual costs for services provided, when applicable.

(Source: Added at 38 Ill. Reg. 21916, effective November 3, 2014)

Section 650.60 Appeal of Local School Board Decisions (Repealed)

(Source: Repealed at 36 Ill. Reg. 14801, effective September 20, 2012)

**Section 650.65 Monitoring of Charter Authorizers by the State Board of Education;
Corrective Action**

In accordance with Section 27A-12 of the School Code, the State Board of Education shall rely on information reported by authorizers pursuant to Section 650.55 and *ongoing monitoring of both charter schools and authorizers* to determine whether *to remove the power to authorize from any authorizer in this State if the authorizer does not demonstrate a commitment to high-quality authorization practices and, if necessary, revoke the charters of the chronically low-performing charters authorized by the authorizer at the time the power to authorize is removed.* [105 ILCS 5/27A-12]

- a) A charter school authorizer may be subject to corrective action, including but not limited to removal of chartering authority, in the following circumstances:
 - 1) Failure to develop chartering policies and practices consistent with the principles and standards set forth in Appendix A (see Section 27A-7.10(e) of the School Code);
 - 2) Failure to comply with any State or federal statutory or regulatory requirement for charter authorization;
 - 3) Failure to require a plan of remediation pursuant to Section 27A-9(c) of the School Code for, and/or close, charter schools that:
 - A) committed a material violation of any of the conditions, standards or procedures set forth in the charter; and/or
 - B) violated any provision of law from which the charter school was not exempted under Article 27A of the School Code;
 - 4) Failure to require a plan of remediation pursuant to Section 27A-9(c) of the School Code for, and/or close, charter schools that:
 - A) have exhibited low student performance as evidenced by:
 - i) a school's student achievement being among the lowest 5 percent of schools in the State, as determined by a three-year average of State assessment results for all students in reading and mathematics;
 - ii) if the charter school is a high school, an average graduation rate of less than 60 percent over the three school years

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immediately preceding the year in which corrective action is being considered; or

- iii) receipt of a school improvement grant under Section 1003(g) of Title I of the Elementary and Secondary Education Act of 1965 (20 USC 6301 et seq.); and/or
 - B) fail to meet performance targets and standards established by the authorizer in a charter school performance plan by the timelines specified in the plan;
 - 5) Failure to require a plan of remediation pursuant to Section 27A-9(c) for, and/or close, charter schools for financial mismanagement or failure to meet generally accepted standards of fiscal management; and/or
 - 6) A pattern of evidence-based complaints about the authorizer or any of its public charter schools, filed with the State Superintendent of Education in accordance with subsection (b).
- b) A complaint alleging that an authorizer has violated a requirement of Article 27A of the School Code or this Part may be submitted in writing to the State Superintendent of Education no later than one calendar year from the date of the alleged violations.
- 1) The written complaint shall include:
 - A) A statement as to which provision of law or rules has been violated;
 - B) The date or dates upon which the violation occurred;
 - C) The facts on which the statement is based; and
 - D) The signature and contact information for the complainant.
 - 2) A complaint submitted in accordance with subsection (b)(1) shall be considered by the State Superintendent of Education unless:
 - A) It clearly appears on its face to be frivolous, trivial or designed or intended primarily to harass the authorizer;

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- B) The State Superintendent of Education has documentation that the authorizer already is satisfactorily addressing issues that are substantially the same as those raised in the complaint;
 - C) Prior to any action by the State Superintendent of Education, the complainant withdraws the complaint; or
 - D) The alleged violation occurred more than one calendar year after the complaint was submitted to the State Superintendent of Education.
- 3) At the conclusion of any complaint investigation, the State Board shall provide to the complainant a written decision that addresses each allegation in the complaint and contains:
- A) Findings of fact and conclusions with respect to those allegations;
 - B) The reasons for the State Board of Education's final decision; and
 - C) Orders for any actions or sanctions, including, without limitation, technical assistance activities and negotiation, imposed against the authorizer and/or any charter schools under its jurisdiction.
- c) When the State Superintendent of Education has information that the authorizer may meet one or more of the conditions specified in subsection (a), or upon a determination that a complaint submitted pursuant to subsection (b) is within the State Board of Education's jurisdiction (i.e., alleges a violation of Article 27A of the School Code or this Part) and merits consideration (e.g., subsection (b)(2)), the State Superintendent shall provide written notification to the authorizer enumerating the deficiencies found or the particulars of the complaint filed against the authorizer and providing a copy of the complaint, redacting any information that is protected from disclosure under one or more exemptions enumerated in the Illinois Freedom of Information Act [5 ILCS 140].
- 1) The written notification shall be sent by certified mail, return receipt requested, to the authorizer, and a copy of the notification shall be provided by regular U.S. mail to the complainant.
 - 2) Upon receipt of the notification, the authorizer shall have no more than 15 days to provide a written response to the State Board of Education. The authorizer and the State Superintendent of Education may mutually agree to a longer time for response, but in no case shall the response time exceed 45 days. The written response shall be addressed to the General Counsel,

Illinois State Board of Education, 100 West Randolph Street, Suite 14-300, Chicago, Illinois 60601.

- 3) The authorizer's written response shall include a statement addressing any of the deficiencies cited by the State Superintendent of Education or the issues raised in a complaint, as well as any documentation requested by the State Superintendent.
 - 4) The authorizer shall provide a copy of the written response and any supporting documentation to the complainant within the timelines established pursuant to subsection (c)(2).
- d) Reasonable Inquiry
- 1) The State Superintendent of Education may conduct a reasonable inquiry to determine if the authorizer has violated any of the provisions of Article 27A of the School Code or this Part if:
 - A) The authorizer fails to respond to the complaint within the timeframe specified in subsection (c);
 - B) The authorizer denies the allegations in the complaint;
 - C) It cannot otherwise be determined on the face of the complaint and the authorizer's response as to whether the authorizer has violated any Section of the Charter Schools Law or this Part; or
 - D) In the authorizer's initial response, the authorizer concedes noncompliance and agrees to take appropriate remedial action, but:
 - i) The complainant submits additional documentation, either orally or in writing, alleging that no remedial action has occurred or that remediation was not completed within the timeframe committed to by the authorizer; or
 - ii) The State Superintendent of Education finds that no remedial action has occurred or remediation was not completed within the timeframe committed to by the authorizer.
 - 2) The reasonable inquiry may include one or more of the following steps, which may be conducted by State Board of Education personnel, or an outside entity, at the State Superintendent of Education's discretion. The

State Superintendent shall notify the authorizer in advance of commencing the reasonable inquiry of the identity of any outside entity to be used to conduct the inquiry.

- A) Review of all or selected portions of the authorizer's policies, practices, education records or curriculum;
 - B) Contact with individuals from the authorizer or any charter school under the authorizer's jurisdiction who might reasonably be expected to have information relevant to identified deficiencies or the allegations of the complaint;
 - C) Desk audit, whereby the State Superintendent of Education would require submission or complete access to materials or data from the authorizer or any charter school under the authorizer's jurisdiction that the State Superintendent of Education determines will assist him or her in responding to the identified deficiencies or the allegations in the complaint; and/or
 - D) Technical assistance as needed to attempt to bring the authorizer into compliance.
- e) If the reasonable inquiry results in a determination of noncompliance, the State Superintendent shall provide a written notification of noncompliance to the authorizer by certified mail, return receipt requested. The notification of noncompliance shall specify the following:
- 1) All formal findings of noncompliance specific to the statutory or regulatory violations that led to the finding of noncompliance, to include any new allegations raised during the reasonable inquiry conducted pursuant to subsection (d);
 - 2) The timeframe within which the areas of noncompliance must be cured;
 - 3) The technical assistance available to the authorizer, if applicable;
 - 4) The consequences that may be imposed by the State Board of Education should the authorizer fail to address the areas of noncompliance (see subsection (i)); and
 - 5) A statement informing the authorizer that it may seek a conference with representatives of the State Board of Education to dispute the findings of noncompliance, including those resulting from any new allegations raised

during the reasonable inquiry conducted pursuant to subsection (d), by submitting a written request to the address specified in subsection (c)(2) within 15 days after receiving the notification of noncompliance.

- f) Within 60 days after the date of receipt of notification of noncompliance issued under subsection (e), or within 60 days after the date of any conference scheduled pursuant to subsection (e)(5), whichever is later, the authorizer shall submit to the State Superintendent a corrective action plan that conforms to the requirements of subsection (g). The authorizer and State Superintendent of Education may mutually agree to a longer time for response, but in no case shall the response time exceed 90 days.
 - 1) If the authorizer is a local school board, the plan shall be signed by the president and secretary of the local board of education pursuant to Section 10-7 of the School Code, as evidence that the board adopted a resolution authorizing its submission.
 - 2) If the authorizer is the Commission, the plan shall be signed by the chairman of the Commission as evidence that the Commission adopted a resolution authorizing its submission.
- g) The State Superintendent of Education shall approve or disapprove a corrective action plan no later than 30 days after its receipt from the authorizer and shall notify the authorizer in writing of that decision.
 - 1) The State Superintendent shall approve a plan if it:
 - A) Specifies the steps to be taken by the authorizer that are directly related to the area or areas of noncompliance cited;
 - B) Provides evidence that the authorizer has the resources and ability to take the steps described without giving rise to other issues of compliance that would subject the authorizer to corrective action; and
 - C) Specifies a timeline for correction of the cited deficiencies that is demonstrably linked to the factors leading to noncompliance and is no longer than needed to correct the identified problems.
 - 2) If no plan is submitted, or if no approvable plan is received within the timeframe required under subsection (f), the State Board of Education may impose sanctions against the authorizer in accordance with subsection (i).

h) If, at any time while a plan for corrective action is in effect, the State Board of Education determines that the agreed-upon actions are not being implemented in accordance with the plan or the underlying areas of noncompliance are not being remedied, the State Board of Education may impose sanctions in accordance with subsection (i).

i) Sanctions Against an Authorizer

In accordance with Section 27A-12 of the School Code, the State Board of Education may remove an authorizer's power to authorize charter schools. For the purposes of this Section, "removal of the power to authorize" shall mean removal of an authorizer's power to approve and oversee any new charter schools, and/or removal of an authorizer's power to oversee charter schools already operating that are under the jurisdiction of the authorizer.

1) An authorizer that is subject to sanctions pursuant to this Section may make an oral presentation to the State Board. A request to make an oral presentation must be submitted in writing and postmarked no later than 30 days from the date of receipt of notice that sanctions may be imposed, and must identify the specific agency findings with which the authorizer disagrees. The State Board shall consider oral presentations and written documents presented by staff and interested parties prior to rendering a final decision.

2) In the event that chartering authorization is removed, the State Board of Education shall determine the status of each charter school within the authorizer's portfolio. With respect to each charter school, the State Board may:

A) Allow the charter school to continue operating under the jurisdiction of the authorizer;

B) Terminate the existing charter agreement between the authorizer and the governing board of the charter school and transfer the charter school to another authorizer in accordance with subsection (j); or

C) Terminate the existing charter agreement between the authorizer and the governing board of the charter school and close the charter school in accordance with subsection (k).

j) Transfer of Charter Schools

- 1) Based upon a recommendation of the State Superintendent of Education, the State Board of Education may order a change in authorizer for charter schools under the jurisdiction of an authorizer that has had its power to authorize charter schools removed under this Section. Unless compelling reasons justify a different recommendation:
 - A) The State Superintendent shall recommend a transfer to the Commission in the case of sanctions against a local school board authorizer; or
 - B) The State Superintendent shall recommend a transfer to the school board for the district or districts of student residency in the case of sanctions against the Commission.
- 2) The State Superintendent of Education shall provide written notification of the transfer recommendation by certified mail, return receipt requested, to the governing bodies of any charter school subject to transfer and the entity recommended to become the authorizer.
- 3) The governing bodies of any charter school that is subject to the transfer recommendation and the entity recommended to become the authorizer shall follow the same process and be subject to the same timelines for review as set forth in Section 27A-8 of the School Code to determine whether to enter into a contractual agreement for authorization. Until the process is complete, the charter school shall remain open under its current authorizer.
 - A) If the charter school does not consent to the transfer, the State Board of Education shall order the charter school to close. Prior to this direction, the State Board of Education shall permit members of the governing board of the charter school subject to closure to present written and oral comments to the State Board of Education. Any closure of a charter school pursuant to this subsection (j)(3)(A) shall follow the procedures set forth in Section 650.70 (Procedures for Closing a Charter School).
 - B) If the entity recommended to become the authorizer does not consent to the transfer, the State Board of Education shall direct the State Superintendent of Education to either recommend an alternative authorizer to which the charter school will be transferred in accordance with the requirements of this Section or to close the charter school by following the procedures set forth in Section 650.70.

- 4) Except in the case of an emergency that places the health, safety or education of the charter school's students at risk, the transfer of the charter school to its new authorizer shall occur at the end of the school year.
 - 5) The term of the contract with a new authorizer after a transfer of authorizers may be for a period not to exceed five years following the effective date of the certification of the new charter school in accordance with Article 27A of the School Code and this Part.
- k) Closure of Charter Schools
- 1) The State Board of Education may order any charter school under the jurisdiction of the authorizer that has had its power to authorize charter schools removed under this Section to close if the State Board of Education clearly demonstrates that the charter school did any of the following or otherwise failed to comply with the requirements of Article 27A of the School Code:
 - A) Exhibited low student performance, as defined in subsection (a)(4)(A), and/or failed to meet performance targets and standards established by the charter school's authorizer in a charter school performance plan within the timelines specified in the plan;
 - B) Mismanaged its finances or failed to meet generally accepted standards of fiscal management;
 - C) Violated any provision of law from which the charter school was not exempted pursuant to Section 27A-5 of the School Code; and/or
 - D) Committed a material violation of any of the conditions, standards or procedures set forth in the charter.
 - 2) Prior to the State Board of Education's ordering any charter school to close under this subsection (k), the State Superintendent of Education shall provide written notification by certified mail, return receipt requested, to the governing board of the charter school subject to closure. The notice shall summarize the reasons for the closure recommendation and provide, as applicable, the formal opinion pertaining to the recommendation.
 - 3) The governing board of the charter school subject to closure shall have seven days from the date of receipt of the State Superintendent's notice to

request the opportunity to present written and oral comments to the State Board of Education about the closure recommendation.

- 4) Any closure of a charter school pursuant to this subsection (k) shall follow the procedures set forth in Section 650.70.
- l) An authorizer that has had its power to authorize charter schools removed pursuant to this Section may petition the State Board of Education for a return of authorizing powers. The State Board of Education shall reinstate the power to authorize to an authorizer if the authorizer clearly demonstrates that:
 - 1) Any noncompliance matters that resulted in the sanctions have been resolved;
 - 2) The authorizer has developed systems and processes to ensure that the noncompliance issues that resulted in the sanctions will not recur; and
 - 3) The authorizer has participated in a State- or national-level training program designed to develop the capacity and effectiveness of charter school authorizers, including but not limited to any training programs offered by the Commission, provided that the Commission is not the sanctioned authorizer submitting the petition for reinstatement.

(Source: Added at 38 Ill. Reg. 21916, effective November 3, 2014)

Section 650.70 Procedures for Closing a Charter School

The governing body of a charter school that is closing, whether voluntarily or involuntarily, shall be subject to the requirements of this Section.

- a) Required Notices
 - 1) Except in the case of an emergency, when the health, safety or education of the charter school's students is at risk, any notice of a charter school's closing required under subsection (a)(2) shall be provided:
 - A) at least 60 days before the end of the school year in which the closure will take place for a charter school that is closing involuntarily (i.e., has had its charter revoked or not renewed); or
 - B) at least 60 days before the scheduled closing date for a charter school that is voluntarily closing.
 - 2) The governing body or its designee shall provide notice of the charter school's closure:
 - A) to the charter school's employees, including the date of closure;
 - B) to the parents or guardians of the students attending the school and to the superintendent of each school district in which any of the charter school's students reside, including:
 - i) the date of closure; and
 - ii) the procedures the parents should follow in order to continue their children's education within the public schools;
 - C) to the entity that authorized the charter school and to the State Superintendent of Education, submitted by certified mail, return receipt requested, and including:
 - i) the date of closure;
 - ii) the name, address, and telephone number of the person who will be responsible for making arrangements for the closure; and

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- iii) copies of the notices required by subsections (a)(2)(A) and (a)(2)(B) of this Section.

- b) Disposition of Assets

Any unspent public funds and other property and assets of the charter school shall be disposed of in the manner set forth in Section 27A-10.10 of the School Code.

- c) Student Records

The governing body or its designee shall transfer its students' permanent and temporary records (see 23 Ill. Adm. Code 375.10; Definitions) to the school's chartering entity or entities, as set forth in 23 Ill. Adm. Code 375.75 (Public and Nonpublic Schools: Transmission of Records for Transfer Students), except that, if the Commission is the chartering entity, each student's permanent record shall be transferred to his or her district of residence.

- d) Other Records

The governing body or its designee shall prepare all the school's records for transfer to the chartering entity or entities. These records shall include, but need not be limited to:

- 1) the minutes of the meetings of the governing body;
- 2) the school's policy manual;
- 3) the manuals setting forth the school's administrative, accounting, and personnel-related procedures;
- 4) all personnel files, including service records and information regarding teachers' licensure;
- 5) all teachers' schedules;
- 6) all inventory records for fixed assets (i.e., tangible property used in operating the charter school);
- 7) bank statements, including any canceled checks returned by the financial institution;
- 8) corporate credit card statements and invoices;

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- 9) accounting reports, budgets, journals, ledgers, and registers;
 - 10) annual financial reports prepared by independent auditors;
 - 11) all agreements, contracts, and records of arrangements, including any exhibits, amendments, or other supporting documentation;
 - 12) all Internal Revenue Service forms used and any supporting documentation;
 - 13) all Teachers' Retirement System forms used and any supporting documentation;
 - 14) purchase requisitions and purchase vouchers, including supporting documentation such as vendors' invoices, store receipts, or travel itineraries;
 - 15) vouchers for reimbursement of staff expenses, including travel, with any supporting documentation; and
 - 16) all electronic files containing financial records pertaining to the school.
- e) Requirements for Inventory Records

For each fixed asset of the charter school (i.e., land, buildings, machinery, equipment, furniture, and fixtures), the inventory record shall include the following information:

- 1) a description of the fixed asset;
- 2) a manufacturer's serial number, model number, federal or national stock number, or other identifying number, if applicable;
- 3) an indication as to whether local, State, and/or federal funds were used to acquire the asset, along with information from which the percentage of State and/or federal participation can be calculated;
- 4) whether title to the asset vests in the charter school, an agency of State government, or the federal government;
- 5) the acquisition date (or the date received, if the asset was furnished by a donor) and cost;

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- 6) the location and condition of the fixed asset and the date as of which this information was last reported (e.g., the date of the last physical inventory taken by representatives of the charter school);
 - 7) information as to the ultimate disposition of the fixed asset, including the date of disposal and sale price, or, when the charter school has compensated a State or federal agency for its share in the asset, the method used to determine the current fair market value.
- f) Final Financial Accountability
- 1) The governing body or its designee shall cause a final audit of the charter school to be performed by an independent auditor after all the school's assets have been liquidated and its accounts payable have been settled. The governing body or its designee shall provide a copy of the audit report to the chartering entity.
 - 2) If the governing body has been unable to liquidate all the school's accounts payable, the governing body or its designee shall inform the chartering entity or entities of any outstanding obligations. The chartering entity shall not, however, be responsible for any obligation of a charter school not specified in the charter agreement.
 - 3) The governing body shall designate an individual who will complete any expenditure reports or other fiscal documentation that may be required by the State Board of Education.

(Source: Amended at 39 Ill. Reg. 8298, effective May 26, 2015)

SUBPART C: ACTIONS OF THE STATE CHARTER SCHOOL COMMISSION

Section 650.100 Appeals to, and Requests for Consideration by, the Commission

- a) An applicant for a charter or a charter holder may appeal to the Commission a local school board report that denies, revokes or refuses to renew a charter. An applicant for a charter also may submit its proposal to the Commission for consideration in situations in which the local school board fails to act on the proposal within a timely manner. (See Section 27A-8(d) and (e) of the School Code.) Any appeal or request for consideration shall be submitted to the Commission no later than 30 days after:
 - 1) the date that the school board voted to deny the application; or
 - 2) the date by which the school board was to, but did not, hold a public meeting (see Section 27A-8(d) of the School Code); or
 - 3) the date by which the school board was to, but did not, vote on the charter request (see Section 27A-8(e) of the School Code).
- b) The appeal or request for consideration must be submitted electronically to the Commission at state.charter.commission@illinois.gov, with a copy sent by certified mail or electronic mail to the school board.
- c) Appeals of School Board Decisions to Deny, Revoke or not Renew a Charter

The applicant, to the extent possible, must state the reasons why the decision of the school board should be reversed.
- d) Consideration of Requests Due to Local Inaction
 - 1) The applicant shall state the reasons why the proposal should be granted.
 - 2) The applicant shall list the date the charter school proposal was submitted to the school board for consideration and, if a public meeting was held in accordance with Section 27A-8(c) of the School Code, the date of the public meeting and a statement that the school board failed to vote on the request within 30 days after the meeting being held.
- e) The parties shall submit to the Commission any additional information that the Commission determines is necessary to decide the appeal or consider a request submitted due to the local board's inaction.

- f) Any appeal or request for consideration not submitted within the applicable deadline specified in subsection (a) shall not be considered, and the Commission shall provide notification to the applicant to this effect.

(Source: Amended at 39 Ill. Reg. 8298, effective May 26, 2015)

Section 650.110 Review of Appeals and Requests for Consideration; Decision

- a) Within seven days after receiving an appeal or a request to consider due to a school board's inaction, the Commission shall inform each party (i.e., charter school applicant and school district) of the following:
 - 1) the time, date and location of the public meeting to hear the appeal or consider the request that is scheduled no later than 45 days after the Commission received the appeal or request for consideration;
 - 2) a notice provided to both parties that either party may provide a written request for an opportunity to make an oral presentation before the Commission during the public meeting at which the Commission shall hear the appeal or consider the request. This request shall be submitted no later than seven days prior to the date set for the meeting; and
 - 3) the time, date and location of any interviews the Commission may wish to schedule with the parties in advance of the public meeting.
- b) When practicable, the Commission's designees (e.g., Commission staff, independent evaluators assigned by the Commission) shall conduct any interviews in the presence of both parties. Unless otherwise required by Illinois law, the interviews shall not be open to the public.
- c) In addition to the timeline provided under subsection (a) of this Section, the Commission shall provide each party with a reminder notice at least five days in advance of the public meeting to be held to hear the appeal or consider the request. A public meeting conducted under this subsection (c) shall comply with the Open Meetings Act [5 ILCS 120].
 - 1) If either party has requested an oral presentation, the Commission shall provide each party with an equal amount of time to make the oral presentation to the body and to respond to the Commission's questions.
 - 2) The Commission shall reserve time at the public meeting to take testimony or comments from the public.
 - 3) In so far as possible, the Commission shall hold the public meeting at or near the school district involved in the appeal or request for consideration.
- d) The Commission shall render a decision no later than 30 days after the conclusion of the public meeting and shall announce that decision either during the public

meeting held to consider the appeal or request for consideration or during another publicly scheduled meeting held within the required 30-day timeline.

- 1) In reviewing appeals or whether to grant a charter due to a school district's inaction, the Commission shall consider whether the charter proposal *is in compliance with Article 27A of the School Code and is in the best interests of the students the charter school is designed to serve.* (Section 27A-8(h) of the School Code) In order to determine whether a proposal satisfies both prongs under Section 27A-8(h), the Commission shall conduct a de novo review of the proposal and the district's response. Pursuant to this review, the Commission shall not give deference to any finding of fact or conclusion of law made by the local board of education with respect to the proposal or any information provided by the charter school applicant.
- 2) If the appeal or request for consideration, as a matter of law, does not comply with the Charter Schools Law, or if the charter proposal is not in the best interest of the students, the Commission shall issue a final decision to the parties containing the Commission's reasons for denying the appeal or request for consideration.
- 3) If the Commission finds that the charter school proposal complies with Article 27A of the School Code and is in the best interest of the students to be served, it shall issue a final decision to the parties containing the Commission's reasons for approving the appeal or request for consideration.
- 4) A copy of any decision rendered pursuant to subsection (d)(2) or (d)(3) of this Section shall be provided to each party by certified mail within the timeline set forth in this subsection (d).
- e) The decision of the Commission is final unless reviewed under the Administrative Review Law [735 ILCS 5/Art. III], as provided in Section 27A-8(h) of the School Code.

(Source: Added at 36 Ill. Reg. 14801, effective September 20, 2012)

Section 650.APPENDIX A Principles and Standards for Authorizing Charter Schools

The following principles and standards for charter school authorizers align to Article 27A of the School Code and are based on the "Principles and Standards of Quality Charter School Authorizing" (2012), published by the National Association of Charter School Authorizers (NACSA), 105 West Adams Street, Suite 3500, Chicago IL 60603-6253 and posted at <http://www.qualitycharters.org/publications-resources/principles-standards.html>. No later amendments to or editions of these standards are incorporated. A small number of standards are identified as "advanced" (recommended); all others are considered "essential" (required).

PRINCIPLES

A high-quality authorizer engages in responsible oversight of charter schools by ensuring that schools have both the autonomy to which they are entitled and the public accountability for which they are responsible. The following three principles lie at the heart of the authorizing endeavor, and authorizers should be guided by and fulfill these principles in all aspects of their work.

Principle 1: Maintain High Standards

Sets high standards for approving charter applicants.

Maintains high standards for the schools it oversees.

Effectively cultivates high-quality charter schools that meet identified educational needs.

Oversees charter schools that meet over time the performance standards and targets on a range of measures and metrics set forth in the charter contracts.

Principle 2: Uphold School Autonomy

Honors and preserves core autonomies crucial to school success, including:

Governing board independent from the authorizer;

Personnel;

School vision and culture;

Instructional programming, design and use of time; and

Budgeting.

Minimizes administrative and compliance burdens on schools.

Focuses on holding schools accountable for outcomes rather than processes, while at all times strictly enforcing all applicable statutory and regulatory requirements for charter schools.

Principle 3: Protect Student and Public Interests

Makes the well-being and interests of students the fundamental value informing all the authorizer's actions and decisions.

Holds schools accountable for fulfilling fundamental public education obligations to all students, which includes providing:

Nonselective, nondiscriminatory access to all eligible students;

Fair treatment in admissions and disciplinary actions for all students; and

Appropriate services for all students, including those with disabilities and who are English learners, in accordance with applicable laws.

Holds schools accountable for fulfilling fundamental obligations to the public, which includes providing:

Sound governance, management and stewardship of public funds;

Public information and operational transparency in accordance with applicable State and federal laws; and

Compliance with all applicable laws and regulations.

Ensures in its own work:

Ethical conduct;

Focus on the mission of chartering high-quality schools;

Clarity, consistency and public transparency in authorizing policies, practices and decisions;

Effective and efficient public stewardship; and

Compliance with all applicable laws and regulations.

STANDARDS

Standard 1: Agency Commitment and Capacity

A high-quality authorizer engages in chartering as a means to foster excellent schools that meet identified needs; clearly prioritizes a commitment to excellence in education and in authorizing practices; and creates organizational structures and commits human and financial resources necessary to conduct its authorizing duties effectively and efficiently.

1.1 Standards for Planning and Commitment to Excellence

Supports and advances the purposes of Article 27A of the School Code.

Ensures that the authorizer's governing board, leadership and staff understand and are committed to the principles articulated in this Appendix A.

Defines external relationships and lines of authority to protect the authorizing functions from conflicts of interest and political influence.

Implements policies, processes and practices that streamline and organize its work toward State goals, and executes its duties efficiently while minimizing administrative burdens on schools.

Evaluates its work regularly against national standards for high-quality authorizing and recognized effective practices and develops and implements timely plans for improvement if these standards and practices are not achieved.

States a clear mission for high-quality authorizing (advanced).

Articulates and implements an intentional strategic vision and plan for chartering, including clear priorities, goals and timeframes for achievement (advanced).

Evaluates its work regularly against its chartering mission and strategic plan goals, and implements plans for improvement when the mission and strategic plan goals are not achieved (advanced).

Conforms to reporting requirements about its progress and performance in meeting its strategic plan goals, as required by Section 27A-12 of the School Code and Section 650.55 of this Part.

1.2 Standards for Human Resources

Enlists expertise and competent leadership for all areas essential to charter school oversight, including, but not limited to, educational leadership; curriculum, instruction and assessment; special education; English learners and other diverse learning needs; performance management and accountability; law; finance; facilities; and nonprofit governance and management through the use of staff, contractual relationships, and/or intra- or inter-agency collaborations.

Employs competent personnel at a staffing level that is appropriate and sufficient, commensurate with the size of the charter school portfolio, to carry out all authorizing responsibilities in accordance with the principles and standards set forth in this Appendix A.

Provides for regular professional development for the authorizer's leadership and staff to achieve and maintain high standards of professional authorizing practice and to enable continual improvement.

1.3 Standards for Financial Resources

Determines the financial needs of the authorizing office and devotes sufficient financial resources to fulfill its authorizing responsibilities in accordance with the principles and standards set forth in this Appendix A and commensurate with the scale of the charter school portfolio.

Tracks operating costs and expenses associated with the performance of the powers and duties enumerated in Section 27A-7.10(a) of the School Code and any additional duties set forth in the terms of each charter contract.

When making decisions pertaining to approving or renewing a charter school, considers whether the terms of the charter, as proposed, are economically sound for both the charter school and the school district. (See Section 27A-7(a) of the School Code.)

Provides funding to all charter schools in compliance with the requirements of Article 27A of the School Code and submits to the State Board of Education information about the budget and financial schedule as may be required.

Structures funding in such a way as to avoid conflicts of interest, inducements, incentives or disincentives that might compromise its judgment in charter approval and accountability decision-making.

Deploys funds effectively and efficiently and maintains the public's interests when doing so.

Standard 2: Application Process and Decision-Making

A high-quality authorizer implements a comprehensive application process that includes clear application questions and guidance; follows fair, transparent procedures and rigorous criteria; and grants charters only to applicants who demonstrate a strong capacity to establish and operate a high-quality charter school.

2.1 Standards for Proposal Information, Questions and Guidance

Maintains a charter application information packet or, if actively soliciting proposals, issues a request for proposals (RFP) that:

States any chartering priorities the authorizer may have established;

Articulates comprehensive application questions to elicit the information needed for a rigorous evaluation of the applicant's plans and capacities; and

Provides clear guidance and requirements for the content and format of the application and the evaluation criteria that will be used when considering the application.

Welcomes proposals from first-time charter applicants, as well as existing school operators or replicators, and appropriately distinguishes between the two types of developers in proposal requirements and evaluation criteria.

To the extent it is determined to be economically sound for the district and the charter school, encourages expansion and replication of charter schools that demonstrate success and capacity for growth.

Is open to considering diverse educational philosophies and approaches, and expresses a commitment to serve students with diverse needs.

To the extent it is determined to be economically sound for the district and the charter school, broadly invites and solicits charter applications, while publicizing the authorizer's strategic vision and chartering priorities without restricting or refusing to review applications that propose to fulfill other goals (advanced).

2.2 Standards for Fair, Transparent, Quality-Focused Procedures

Implements a charter application process that is open, well-publicized and transparent, and is organized around timelines that are clear, realistic and compliant with the timelines for review of charter proposals set forth in Section 27A-8 of the School Code.

Allows sufficient time in the application process so that each stage of the application review and school pre-opening processes are carried out with integrity and attention to high quality.

Explains how each stage of the application process is conducted and evaluated.

Informs applicants of their rights and responsibilities and promptly notifies applicants in writing of approval or denial, while explaining the factors that determined the decision.

In compliance with Sections 27A-8(f) and 27A-9(e) of the School Code and Section 650.30 of this Part (Submission to the State Board of Education), submits all required documentation pertaining to charter school approvals to the State Board of Education, and all required documentation pertaining to denials, revocations or non-renewals to the State Board of Education and the Commission.

2.3 Standards for Rigorous Approval Criteria

Requires all applicants to submit a charter school proposal that is complete and fully addresses all required elements under Section 27A-7(a) of the School Code, including, but not limited to, a clear and compelling mission; a high-quality educational program; a solid business plan; a transportation plan to meet the needs of low-income and at-risk students; effective governance and management structures and systems; founding

team members who demonstrate diverse and necessary capabilities; and clear evidence of the applicant's capacity to execute its plan successfully.

Establishes distinct requirements and criteria for applicants that are existing school operators and those that are replicators.

Establishes distinct requirements and criteria for applicants proposing to contract with education service or management providers.

To the extent that these schools are permitted under Article 27A of the School Code, establishes distinct requirements for applicants proposing to operate schools devoted exclusively to students from low-performing or overcrowded schools.

To the extent that these schools are permitted under Article 27A of the School Code, establishes distinct requirements for applicants proposing to operate schools devoted exclusively to re-enrolled high school dropouts and/or students 16 or 15 years old who are at risk of dropping out.

To the extent that these schools are permitted under Article 27A of the School Code, establishes distinct requirements and criteria for applicants proposing to operate virtual or online charter schools.

2.4 Standards for Rigorous Decision-Making

Grants charters only to applicants that have demonstrated competence and capacity to succeed in all aspects of the school, consistent with the stated approval criteria.

Rigorously evaluates each application through the use of knowledgeable and competent evaluators who employ some combination of a thorough review of the written proposal, a substantive in-person interview with the applicant group, the public meeting required under Section 27A-8(c) of the School Code for gathering more information to assist in determining whether to grant or deny the charter school proposal, and other due diligence to examine the applicant's experience and capacity.

Engages, for both written application reviews and any applicant interviews, highly competent teams of internal and external evaluators with relevant educational, organizational (governance and management), financial and legal expertise, as well as thorough understanding of the provisions of Article 27A of the School Code and the essential principles of charter school autonomy and accountability.

Provides orientation or training to application evaluators (including interviewers) to ensure the use of consistent evaluation standards and practices, observance of essential protocols and fair treatment of applicants.

Ensures that the application review process and decision-making are free of conflicts of interest, and requires full disclosure of any potential or perceived conflicts of interest between reviewers or decision-makers and applicants.

Standard 3: Performance Contracting

A high-quality authorizer executes contracts with charter schools that articulate the rights and responsibilities of each party regarding school autonomy, funding, administration and oversight, outcomes, measures for evaluating success or failure, performance consequences and other material terms. The contract is an essential document, separate from the charter application, that establishes the legally binding agreement and terms under which the school will operate and be held accountable.

3.1 Standards for Contract Term, Negotiation and Execution

Executes a contract with a legally incorporated governing board of a nonprofit corporation or other discrete, legal, nonprofit entity authorized under the laws of the State of Illinois that is completely independent of the authorizer.

Executes all charter agreements within 120 days after the charter's approval and at least 30 days before the start of school, whichever date comes first.

Ensures that all charter school agreements have been certified by the State Board of Education in accordance with Section 650.40 prior to the date on which the charter school opens or begins its renewal term.

Defines material terms of the contract.

Ensures mutual understanding and acceptance of the contract by the school's governing board prior to authorization or charter granting by the authorizing board.

Allows, and requires contract amendments for, occasional material changes to the school's plan, but does not require amending the contract for non-material modifications.

3.2 Standards for Rights and Responsibilities

Executes charter school contracts that clearly:

State the rights and responsibilities of the school and the authorizer;

State and respect the autonomies to which charter schools are entitled, based on statute, waiver or authorizer policy, including those relating to the school's authority over educational programming, staffing, budgeting and scheduling;

Define performance standards, criteria and conditions for renewal, intervention, revocation and non-renewal, while establishing the consequences for meeting or not meeting standards or conditions;

State the statutory, regulatory and procedural terms and conditions for the school's operation, including a clearly defined list of all health and safety requirements applicable to all public schools under the laws of the State of Illinois;

State reasonable pre-opening requirements or conditions for new schools to ensure that they meet all health, safety and other legal requirements prior to opening and are prepared to open smoothly;

State the responsibility and commitment of the school to adhere to essential public education obligations, including admitting and serving all eligible students so long as space is available, and not expelling or counseling out students except pursuant to a discipline policy approved by the authorizer; and

State the responsibilities of the school and the authorizer in the event of school closures.

Ensures that any fee-based services that the authorizer provides are set forth in a services agreement that respects charter school autonomy and treats the charter school equitably compared to district schools, if applicable; and ensures that purchasing these services is explicitly not a condition of charter approval, continuation or renewal.

3.3 Standards for Charter Performance Standards

Executes charter contracts that plainly:

Establish the performance standards under which schools will be evaluated, using objective and verifiable measures of student achievement as the primary measure of school quality;

Include expectations for appropriate access, education, support services and outcomes for students with disabilities;

Define clear, measurable and attainable academic, financial and organizational performance standards and targets that the school must meet as a condition of renewal, including but not limited to required State and federal measures;

Make increases in student academic achievement for all groups of students described in section 6311(b)(2)(C)(v) of the Elementary and Secondary Education Act (20 USC 6301 et seq.) the most important factor to be considered for charter renewal or revocation decision-making;

Define the sources of academic data that will form the evidence base for ongoing and renewal evaluation, including State-mandated and other standardized assessments, student academic growth measures, internal assessments, qualitative reviews and performance comparisons with other comparable public schools in the district and State;

Define the sources of financial data that will form the evidence base for ongoing and renewal evaluation, grounded in professional standards for sound financial operations and sustainability;

Define the sources of organizational data that will form the evidence base for ongoing and renewal evaluation, focusing on fulfillment of legal obligations, fiduciary duties and sound public stewardship; and

Include clear, measurable performance standards to judge the effectiveness of alternative schools, if applicable, requiring and appropriately weighting rigorous mission-specific performance

measures and metrics that credibly demonstrate each school's success in fulfilling its mission and serving its special population.

3.4 Standards for Education Service or Management Contracts (if applicable)

For any school that contracts with an external (third-party) provider for education design and operation or management, includes additional contractual provisions that ensure rigorous, independent contract oversight by the charter school governing board and the school's financial independence from the external provider. In determining whether a charter school is independent of the external provider, the authorizer shall consider the criteria listed in Q & A (B-13) of the U.S. Department of Education, Charter Schools Program, Title V, Part B of the ESEA, Nonregulatory Guidance (Published April 2011) and posted at <http://www2.ed.gov/programs/charter/nonregulatory-guidance.doc>.

Reviews the proposed third-party contract as a condition of charter approval to ensure that it is consistent with applicable laws, authorizer policy and the public interest.

Standard 4: Ongoing Oversight and Evaluation

A high-quality authorizer conducts contract oversight that competently evaluates performance and monitors compliance; ensures schools' legally entitled autonomy; protects student rights; informs intervention, revocation and renewal decisions; and provides regular public reports on school performance.

4.1 Standards for Performance Evaluation and Compliance Monitoring

Implements a comprehensive performance accountability and compliance monitoring system that is defined by the charter contract and provides the information necessary to make rigorous and standards-based renewal, revocation and intervention decisions.

Defines and communicates to schools the process, methods and timing of gathering and reporting school performance and compliance data.

Implements an accountability system that effectively streamlines local, State and federal performance expectations and compliance requirements, while protecting schools' legally entitled autonomy and minimizing schools' administrative and reporting burdens.

Provides clear technical guidance to schools, as needed, to ensure timely compliance with applicable regulations.

Visits each school as appropriate and necessary for collecting data that cannot be obtained otherwise and in accordance with the contract, while ensuring that the frequency, purposes and methods of these visits respect school autonomy and avoid operational interference.

Evaluates each school annually on its performance and progress toward meeting the standards and targets stated in the charter contract, including essential compliance requirements, and clearly communicates evaluation results to the school's governing body and leadership.

In accordance with Section 27A-5(f) of the School Code, requires and reviews annual financial audits of schools conducted by a qualified independent auditor.

Communicates regularly with schools as needed, including both the school leaders and governing boards, and provides timely notice of contract violations or performance deficiencies.

Provides an annual written report to each school, summarizing its performance and compliance to date and identifying areas of strength and areas needing improvement.

Articulates and enforces stated consequences for failing to meet performance expectations or compliance requirements.

4.2 Standards for Respecting School Autonomy

Respects the school's authority over its day-to-day operations.

Collects information from the school in a manner that minimizes administrative burdens on the school, while ensuring that performance and compliance information is sufficiently detailed and timely to protect student and public interests.

Periodically reviews compliance requirements and evaluates the potential to increase school autonomy based on flexibility in the law, streamlining requirements, demonstrated school performance or other considerations.

Refrains from directing or participating in the educational decisions or choices that are appropriately within a school's purview under Article 27A of the School Code or the contract.

4.3 Standards for Protecting Student Rights

In accordance with Section 27A-4(d) and (h) of the School Code, ensures that schools admit students through a random selection that is open to all students who reside within the geographic boundaries of the areas served by the local school board, is publicly verifiable, and does not establish undue barriers to application (such as mandatory information meetings, mandated volunteer service or parent contracts) that exclude students based on socioeconomic, family or language background; prior academic performance; special education status; or parental involvement.

Ensures that schools provide access and services to students with disabilities, as required by applicable State and federal laws, including compliance with individualized education programs and section 504 plans, access to facilities and educational opportunities.

Ensures clarity in the roles and responsibilities of all parties involved in serving students with disabilities.

Ensures that schools provide access to and appropriately serve other special populations of students, including English learners, homeless students and gifted students, as required by State and federal law.

Ensures that schools' student discipline policies and actions comply with applicable State and federal laws regarding discipline, are fair and ensure that no student is expelled or counseled out of a school outside of the process set forth in those policies.

4.4 Standards for Intervention

Establishes, and makes available to schools as they are chartered, an intervention policy that states the general conditions that may trigger intervention and the types of actions and consequences that may ensue.

Gives schools clear, adequate, evidence-based and timely notice of contract violations or performance deficiencies.

Allows schools reasonable time and opportunity for remediation in non-emergency situations.

When intervention is needed, engages in intervention strategies that clearly preserve school autonomy and responsibility (identifying what the school must remedy without prescribing solutions).

4.5 Standards for Public Reporting

Produces regular public reports that provide clear, accurate performance data for the charter schools overseen by the authorizer, reporting on individual school and overall portfolio performance according to the framework set forth in the charter contract. (Also see Section 650.55.)

Standard 5: Revocation and Renewal Decision-Making

A high-quality authorizer designs and implements a transparent and rigorous process that uses comprehensive academic, financial and operational performance data to make merit-based renewal decisions and revokes charters when necessary to protect student and public interests.

5.1 Standards for Revocation

Adheres to all notice and corrective action requirements for revocation of a charter school, as set forth in Section 27A-9 of the School Code.

5.2 Standards for Renewal Decisions Based on Merit and Inclusive Evidence

Bases the renewal process and renewal decisions on thorough analyses of a comprehensive body of objective evidence defined by the performance framework in the charter contract.

Grants renewal only to schools that have achieved the standards and targets stated in the charter contract, are organizationally and fiscally viable, and have been faithful to the terms of the contract and applicable law.

Does not make renewal decisions, including granting probationary or short-term renewals, on the basis of political or community pressure or solely on promises of future improvement.

5.3 Standards for Cumulative Report and Renewal Application

Provides to each school, in advance of the renewal decision, a cumulative performance report that:

Summarizes the school's performance record over the charter term;
and

States the authorizer's summative findings concerning the school's
performance and its prospects for renewal.

Requires any school seeking renewal to apply through the use of a renewal
application, which should provide the school with a meaningful
opportunity and reasonable time to respond to the cumulative performance
report, to correct the record, if needed, and to present additional evidence
regarding its performance.

5.4 Standards for Fair, Transparent Process

Clearly communicates to schools the criteria for charter revocation,
renewal and non-renewal decisions that are consistent with the charter
contract and Article 27A of the School Code.

Promptly notifies each school of its renewal (or, if applicable, revocation)
decision, including a written explanation of the reasons for the decision.

Promptly communicates renewal or revocation decisions to the school
community and public within a timeframe that allows parents and students
to exercise choices for the coming school year.

Explains in writing any available rights of legal or administrative appeal
through which a school may challenge the authorizer's decision.

In compliance with Sections 27A-8(f) and 27A-9(e) of the School Code
and Section 650.30 of this Part, submits all required documentation
pertaining to charter school renewals to the State Board of Education, and
all required documentation pertaining to revocations or non-renewals to
the State Board of Education and the Commission.

Regularly updates and publishes the process for renewal decision-making,
including guidance regarding required content and format for renewal
applications.

5.5 Standards for Closure

In the event of a school closure, oversees and works with the school's
governing board and leadership in carrying out a detailed closure protocol
that complies with Section 650.70 and all applicable State laws.

(Source: Added at 38 Ill. Reg. 21916, effective November 3, 2014)

EXHIBIT C



Illinois State Charter School Commission

**BYLAWS OF THE
ILLINOIS STATE CHARTER SCHOOL
COMMISSION
AS AMENDED
OCTOBER 15, 2013**

**BYLAWS OF THE
ILLINOIS STATE CHARTER SCHOOL COMMISSION**

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**BYLAWS OF THE
ILLINOIS STATE CHARTER SCHOOL COMMISSION**

ARTICLE I

OBJECT

Public Act 97-152 establishes the State Charter School Commission and states that it is responsible for authorizing high-quality charter schools throughout this State, particularly schools designed to expand opportunities for at-risk students.

ARTICLE II

POWERS AND DUTIES

The State Charter School Commission shall have such powers and duties as may be specified from time to time in the School Code (105 ILCS 5/1 *et seq.*) or other applicable laws of the State of Illinois or the United States of America.

ARTICLE III

MEMBERSHIP

A. Members and Terms

1. The members of the State Charter School Commission shall be appointed by the Board of Education as set forth in Article 27A7.5 of the School Code.
2. The Board shall consist of nine (9) members
3. Vacancies and renewal of terms shall be filled by appointment by the State Board of Education, pursuant to Article 27A-7.5 of the School Code.
4. All terms shall be for four years, except that the initial terms of the nine members appointed to the Commission pursuant to Public Act 97-152 shall be as set forth in Article 27A-7.5(e).

B. Qualifications and Ethics Requirements

1. The members of the State Charter School Commission shall collectively possess strong experience and expertise in public and nonprofit governance, management and finance, public school leadership, higher education, assessments, curriculum and instruction, and public education law.

2. All members of the State Charter School Commission shall abide by the Board's adopted Code of Conduct attached hereto as Exhibit A, the Conflicts of Interest Policy attached hereto as Exhibit B, and all requirements set forth in the State Officials and Employees Ethics Act..

C. Reimbursement of Expenses

1. Members shall be reimbursed for all ordinary and necessary expenses incurred in performing their duties as members of the Commission. All such reimbursement for expenses shall be consistent with the laws, policies and requirements of the State of Illinois and the State Charter School Commission.

ARTICLE IV

OFFICERS

A. Elective Officers

1. The officers of the State Charter School Commission shall be a Chairperson, Vice-Chairperson, and Secretary.
2. Except for the selection of the initial Chairperson by the State Board of Education, the Chairperson, Vice-Chairperson and Secretary shall be elected from among, and by the membership of the State Charter School Commission. The election of the initial Vice-Chairperson and Secretary shall take place within ninety days of the establishment of the Commission. Thereafter, election of the Chairperson, Vice-Chairperson and Secretary shall take place biennially in February of even-numbered years.
3. A Nominating Committee recommended by the Board Chairperson and voted upon by the Commission, shall recommend in January of even-numbered years a slate of elective officers to the Board for its consideration in February. Nominations may also be made from the floor. The elective officers shall be elected by roll call ballot.
4. Except for the terms of the initial Chairperson, Vice-Chairperson and Secretary, the terms of the Chairperson, Vice-Chairperson and the Secretary shall be for two years, beginning immediately following their election. The Vice-Chairperson and the Secretary shall serve for no more than two consecutive terms in the same office. There is no limit on terms served by the Chairperson. Only members may serve as Officers. Members may be appointed to an office regardless of the remainder of time left in their term at the time of appointment.
5. Vacancies occurring in the elected offices of the Commission shall be filled by the Commission at the next regular or special meeting thereof for the unexpired term of such officer, by nominations submitted by the Nominating Committee last appointed.

B. Duties

1. The Chairperson shall preside over all meetings of the Commission, call meetings as herein provided, appoint the members and chairs of all Standing and Temporary committees and advisory bodies, represent the Commission in ceremonial and other appropriate situations, appoint Commission members to act on behalf of the

Commission in specified circumstances, and perform such other duties as may be vested in him or her by the Commission.

2. The Vice-Chairperson shall preside over all meetings in the absence of the Chairperson and perform such other duties as may be vested in him or her by the Chairperson or the Commission.
3. The elected Secretary shall review the record of proceedings at all regular, special and emergency meetings of the Commission, take the record of the proceedings at closed meetings of the Commission, and perform such other duties pertaining to the office as the Commission may from time to time direct. In the event that the Secretary is absent from any regular or special meeting of the Commission, the Chairperson shall appoint a Commission member in attendance at that meeting to serve as Secretary *Pro Tem*.
4. *Members of the Commission, shall, as a duty of service, commit in writing to the Code of Conduct attached hereto as Exhibit A, and endeavor to: (1) attend 80% of Commission Meetings annually; (2) serve on at least one Standing Committee; and (3) serve as a hearing officer, provider of testimony, representative on other appointed task forces or similar bodies, or such other public duties as the Commission may require of its members from time to time. When a Commissioner is not in compliance with the foregoing provisions, the Chairperson may report in writing such matters to the Governor and the State Board.*

ARTICLE V

MEETINGS

A. Regular Meetings

1. The Commission shall meet at least quarterly unless otherwise provided by the Commission.
2. At the beginning of each calendar year, the Commission shall have prepared and made public a schedule of all regular meetings, including the dates, time and location of said meetings. If a change is made in regular meeting dates, at least ten (10) days' notice of such change shall be given in accordance with Section 2.03 of the Open Meetings Act.
3. At least three days before the date of a regular meeting, the members shall be given written notice* containing the time, place, and agenda for the meeting, and other related and necessary material. The notice will be sent to each member of the Commission at the address provided by the member. Attendance at a meeting shall constitute waiver of notice thereof, except where a member attends a meeting for the express purpose of objecting to the holding of the meeting because the meeting is not lawfully called or convened.

* All references to written notice shall be interpreted as including electronic mail.

B. Special and Emergency Meetings

1. Upon the call of the Commission Chairperson or the request of at least one-third of the members of the Commission, special meetings may be held to conduct the business of the Commission.

2. At least three days in advance of the special meeting, the members of the Commission shall be provided with written notice containing the time, place, and purpose of the special meeting, the names of the Commission members who called the meeting, and other related and necessary materials.
3. The Commission shall consider only those matters included in the call and set forth on the agenda for the special meeting of the Commission.
4. Emergency meetings of the Commission may be called in the event of a *bona fide* emergency. Notice to Commission members for emergency meetings shall be issued in writing as soon as is practical in advance of the emergency meeting. The written notice shall include the time, place and purpose of the emergency meeting.
5. During emergency meetings, the Commission shall consider only those matters directly related to the call for the emergency meeting.

C. Meetings Open to the Public--Open Meetings Act

1. All regular, special and emergency meetings of the Commission and its committees (a) shall be open to the public and the press, unless the Commission or one of its committees takes action to go into closed session in accordance with the Open Meetings Act; and (b) may take place in the traditional face to face manner, by teleconference or video conference, subject to the physical presence requirements set forth in Sections 2.01 and 7 of the Open Meetings Act (5 ILCS 120/2.01 & 7).
2. Subject to Sections 2.01 and 7 of the Open Meetings Act (5 ILCS 120/2.01 & 7), a quorum of members of the Commission or one of its committees must be physically present at the location of an open meeting. If, however, an open meeting is held simultaneously at one of the state educational agency's offices and one or more other locations in a public building, which may include other of its offices, through an interactive video conference and the Commission or committee provides public notice and public access as required under the Open Meetings Act for all locations, then members physically present in those locations all count towards determining a quorum. "Public building" means any building or portion thereof owned or leased by any public body.
3. To the extent the physical presence requirements of Section 2.01 and 7 of the Open Meetings Act are applicable, if a quorum of the members of the Commission or one of its committees is physically present as required by Section 2.01 of the Open Meetings Act, a majority of the Commission or the relevant committee may allow a member of that body to attend the meeting by other means (i.e., video or audio conference) if the member is prevented from physically attending because of: (a) personal illness or disability; (b) employment purposes or the business of the public body; or (c) a family or other emergency. If a member wishes to attend a meeting by other means, the member must notify the staff Secretary (designated in Section V.G of these Bylaws) within 24 hours before the meeting unless advance notice is impractical. Such notice may be made by electronic means and must include the reason for the request and the specific exception under which it falls. The Commission or committee must then take a roll call vote at the outset of such meeting to determine whether to permit such member to attend by other means (the requesting member may vote and such vote shall be counted towards the majority required for permission). Any member attending a meeting by other means must identify himself or herself any time he or she speaks during such meeting.

4. Closed sessions of the Commission and its committees may be convened only for the purposes authorized in Section 2(c) of the Open Meetings Act, 5 ILCS 120/2(c). No final action may be taken during closed session. Final action on any matter discussed during closed session shall be preceded by a recital in open session on the matter being considered and other information that will inform the public of the business being conducted. (5 ILCS 120/2(d))
5. The Commission shall ensure that public notice is given regarding all regular, special and emergency sessions of the Commission. Such public notice shall be made in the manner established by law no less than 48 hours prior to regular or special meetings and as soon as practical for emergency meetings (but in any event, prior to the holding of such meeting).
6. Any person or organization may request regular notification of the time, location and purpose of Commission meetings. In addition to such notice, copies of the meeting agendas and materials shall be provided consistent with individual requests.
7. Three or more Commission members may not gather for the purpose of discussing Commission business without adhering to the requirements of the Open Meetings Act.

D. Location of Meetings

1. The meetings of the Commission shall be held throughout the State, at locations determined in advance by the Commission.
2. In the event that the Commission or one of its committees meets via video conference, a location shall be identified at which the public may have an opportunity to watch and/or listen to the proceedings.

E. Agenda

1. The Chairperson shall have prepared, in writing, the agenda for regular, special and emergency meetings.
2. The agenda for regular meetings of the Commission shall include, but not be limited to, the following items: Call to Order and Roll Call, Pledge of Allegiance, Consideration of and Possible Actions on Any Requests for Participation in Meeting by Other Means, Approval of Minutes, Reports of the Chairperson, Items for Commission Action, Public Participation, Committee and Commission Member Reports, and Information Items. The order of business shall be determined during the preparation of the agenda for each meeting, but may be modified at the discretion of the Chairperson during the course of the meeting.
3. The Public Participation agenda item for regular meetings of the Commission shall include an opportunity for members of the public to present to the Commission their comments and recommendations on educationally-relevant issues. Public participation in the Commission meeting shall be in compliance with policies and procedures adopted by the Commission.
4. The Commission shall provide an opportunity for public participation during special and emergency meetings, provided that such public commentary is directly relevant to the issues on the agenda. Public participation in such special and emergency meetings of the Commission shall be in compliance with policies and procedures adopted by the Commission.

5. The agenda and order of business shall be included in the notice for each regular, special and emergency meeting. The Commission shall not take action on any item unless the subject is identified on the published agenda. However, the Commission may consider (without taking action on) items not specifically set forth on a regular meeting agenda.

F. Quorum/Voting Procedures

1. A quorum of the Commission is defined as a simple majority of the actual number of Commissioners appointed and confirmed at the time of the meeting in question.
2. A majority vote of the members appointed, confirmed, and serving on the Commission, and present and attending the Commission Meeting at the time of the vote, is required to approve any action except that no action shall be approved with less than 4 votes.
3. A Commission member may vote by telephone or video conference provided that he or she is permissibly present under Sections 2.01 and 7 of the Open Meetings Act (5 ILCS 120/2.01 & 7) and Section V.C of these Bylaws and fully participates in the discussion leading to the specific vote and casts his or her own vote. Votes may not be cast by proxy nor in any other form except by personal participation.
4. Every motion or resolution adopted by the Commission shall be taken by determining the ayes and nays. A voice vote may be taken on any motion or resolution except for those involving the expenditure of money, decisions concerning appeals or renewals, action to permit a Commission member's attendance by other means (as discussed in Section V.C of these Bylaws), the convening of a closed session of the Commission or the election of officers. A member may request that any motion or resolution be voted upon by call of the roll.
5. The voting order of members for roll call votes shall be determined in relation to the maker of the motion, with that Commission member casting the first vote and subsequent votes taken by calling upon the next person in alphabetical order from the person first to vote.

G. Minutes

1. Minutes shall be taken of all regular, special and emergency meetings, whether open or closed, and a verbatim record shall be made of all closed meetings in the form of an audio or video recording. Minutes shall include, but not be limited to: (i) the date, time and place of the meeting; (ii) the members of the public body recorded as either present or absent and whether the members were physically present or present by means of video or audio conference; and (iii) a summary of discussion on all matters proposed, deliberated, or decided, and a record of any votes taken.
2. The Commission shall biennially designate a staff Secretary to the Commission who shall, on behalf of the elected Secretary, take and record the roll of members present at all regular, special and emergency meetings of the Commission, record the minutes of these meetings, record the votes for all motions for which a roll call vote is to be taken, keep the official records of the Commission, and perform such other duties as are assigned. The elected Secretary shall record the minutes of all closed sessions held by the Commission.
3. All minutes of regular, special and emergency meetings of the Commission shall be approved by action of the Commission. These minutes shall be prepared and submitted

in draft form to the members in advance of the date at which the minutes shall be considered for corrections, changes, additions, and final approval.

4. After the Commission has approved the minutes of regular, special and emergency Commission meetings, the minutes shall be available to the public in accordance with the Open Meetings Act. (5 ILCS 120/2.06(b))
5. Once every six (6) months, the Commission shall review the minutes of all closed meetings and make a determination, to be reported in open session, that (i) the need for confidentiality still exists as to all or part of those minutes, or (ii) the minutes or portions thereof no longer require confidential treatment and are available for public inspection. (5 ILCS 120/2.06(d))

ARTICLE VI
COMMITTEES

A. Standing Committees

1. The Commission shall maintain and charge standing committees as it determines.
2. The Commission, effective October 2013, maintains three (3) Standing Committees: (1) School Operations; (2) Commission Operations; and (3) External Relations.

B. Membership of Standing Committees

1. Biennially, the Board Chairperson shall call for volunteers and thereafter appoint or reappoint all members and designate the Chairperson of the standing Board Committees. The appointments shall be made no later than March 1 of even-numbered years and take effect on March 1 of that same year.
2. Any vacancies in the membership of these committees which may occur prior to the annual appointment or reappointment of committee membership shall be filled by appointment of the Board Chairperson. The Committee Chairperson and members of standing committees shall serve for two-year terms, with no limit on the renewal of said terms.
3. Each Committee shall consist of at least one Chairperson and two (2) other members. Each member must be a member of at least one Standing Committee, and may choose to serve on more committees voluntarily or by request of the Chairperson of the Commission.

C. Temporary Committees and Advisory Bodies

1. The Chairperson may establish temporary committees and advisory bodies through written notice to the other Commission members. Membership of temporary committees shall consist solely of Commission members. Membership of advisory bodies may include non-members of the Commission.
2. The written notice from the Chairperson shall specify the charges to and membership of a temporary committee or advisory body. The Chairperson shall regularly request reports to the Commission concerning their activities, and shall dissolve them when their specific charges have been completed. The Chairperson may fill any vacancies in committee or advisory body membership which may occur.

D. Committee and Advisory Body Meetings and Procedures

1. Committee and advisory body meetings will be held in conjunction with regular meetings of the full Commission or at the call of either the committee chairperson or one-third of the committee members.
2. At least three days before each committee or advisory body meeting, the members shall be given notice of the time, place, and agenda of the meeting.

3. Except as allowed by law, all committee and advisory body meetings shall be open meetings in accordance with the Open Meetings Act and Section V.C of these Bylaws.
4. Committees and advisory bodies may conduct their business in meetings of two or more members. A majority of members must approve recommendations to the State Charter School Commission.
5. A record shall be taken of all committee and advisory body meetings in accordance with Section V.G of these Bylaws.
6. All committees and advisory bodies may conduct public hearings relevant to their responsibilities.

ARTICLE VII

PARLIAMENTARY AUTHORITY

Commission Meetings shall be conducted according to procedures established by the Commission, with parliamentary questions to be resolved by reference to the current edition of *Robert's Rules of Order*.

ARTICLE VIII

INDEMNIFICATION

The Commission shall seek from the Office of the Attorney General the indemnification of all of its present and former members to the fullest extent permitted from time to time by the State Employee Indemnification Act (5 ILCS 350/0.01 *et seq.*), or any successor thereto.

ARTICLE IX

AMENDMENTS

Except for those sections prescribed by law, the Bylaws may be amended at a regular or special meeting of the Commission by a vote of six Commission members provided such amendments have been filed with the Commission staff Secretary, in writing, fourteen (14) days prior to such meeting. The staff Secretary shall electronically mail a copy thereof to each member of the Commission.

EXHIBIT A
STATE CHARTER SCHOOL COMMISSION CODE OF CONDUCT

Reaffirmed October 15, 2013

The Illinois State Charter School Commission recognizes its responsibility to lead the effort to provide an excellent education for every child in Illinois. The task demands the highest standards of professional and ethical conduct to inspire confidence that this Commission will meet the goal. As a member of this Commission, I shall do my best to meet these standards:

1. To devote the time, thought and study needed to perform in an exemplary manner my responsibilities as an educational leader, state policy maker and steward of public funds, all in compliance with standards set forth in Article IV.B.4 of the Commission's By-Laws.
2. To work with fellow Commission members in a spirit of harmony and cooperation in spite of difference of opinion that may arise during vigorous debate.
3. To base my personal decisions upon all available facts and upon the best thinking that emerges from Commission debate; to vote my honest conviction in every case, un-swayed by partisan, regional, or other bias; and once the decision has been made, to abide by and uphold the final majority of the Commission.
4. To remember that I have no legal authority as an individual outside the meetings of the Commission; to conduct my relationships with Commission staff, the public and the media in a manner which is consistent with this fact; and to avoid speaking or giving the appearance of speaking for the Commission except when either representing an adopted position of the Commission or when designated as its spokesperson.
5. To avoid circumstances that present conflicts of interest or even the appearance of impropriety with respect to my position as a member of the State Charter School Commission.
6. To maintain strict confidentiality regarding Commission information and executive session matters until privileged information becomes public knowledge.
- 7/ To acknowledge that in the event that I willingly, or as forced by circumstance, fail to adhere to the letter and spirit of the Commission's Code of Conduct, that the Chairperson of the Commission may report said matters to the Governor and the State Board of Education with recommendations for removal or other appropriate action.

Signature of Commissioner & Date

EXHIBIT B

STATE CHARTER SCHOOL COMMISSION CONFLICTS OF INTEREST POLICY

AS

1.1. Definitions. The following Conflicts of Interest Policy shall apply to any matter in which a Commission member has or may have a conflict of interest. A member has a conflict of interest in a matter if the member's interest, either through business, investment or family, might reasonably create the appearance of or result in;

1. using public office for direct or indirect private gain;
2. giving preferential treatment to any organization or person;
3. losing independence or impartiality of action;
4. making a government decision outside official channels; or
5. adversely affecting the confidence of the public in the integrity of the Commission.

1.2. Disclosure. Prior to the Commission taking action on a matter in which a Commission member has or may have a conflict of interest, the interested Commission member shall disclose such interest to the other Commission members and all material facts relating thereto.

1.3. Determination of Potential Conflict of Interest. A Commission member may use any one of the following procedures to determine whether an interest constitutes a conflict of interest:

- i. The member may request a determination from the General Counsel of the State Charter School Commission;
- ii. The member may ask the Commission to determine whether such an interest constitutes a conflict of interest. The Commission shall ask the member with the potential conflict of interest to leave the meeting during such discussions or deliberations on whether a conflict of interest exists. The member with the potential conflict of interest may be counted in determining the existence of a quorum at any meeting of the Commission where the interest is discussed but shall not vote on whether a conflict exists. A majority of the non-interested Commission members present at a meeting at which a quorum is present must determine whether a conflict exists; or
- iii. The member with the potential conflict of interest may indicate his or her willingness to follow the procedures set forth in Section 1.4 of this Policy absent a determination by the Commission that a conflict of interest exists.

1.4. Procedure When Conflict of Interest Determined. Upon the Commission's determination that a conflict of interest exists:

- i. The Chairperson may appoint a non-interested person to investigate alternatives to the proposed transaction or arrangement;
- ii. The Commission must approve the matter involving the conflict of interest by a majority vote of non-interested members as being in the best interest of the Commission and for the Commission's own benefit; and

- iii. The member with the conflict of interest shall not be present for discussion or vote regarding the matter.

1.5. Procedures for Adequate Record Keeping. The minutes of the meeting of the Commission shall include: (i) the names of the member(s) who disclosed an actual or potential conflict of interest, the nature of the conflict of interest, and whether the Commission determined there may be a conflict of interest; and (ii) the names of the members who were present for discussion and votes relating to the matter, the content of these discussions, and a record of the vote.