

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

- 650.10 Definitions  
650.20 Purpose

SUBPART B: ACTIONS OF THE STATE BOARD OF EDUCATION

Section

- 650.30 Submission to the State Board of Education  
650.35 Submission to the State Board of Education: Commission (Repealed)  
650.40 Review of Local Approvals by the State Superintendent of Education  
650.50 Revision of Certified Charters  
650.55 Biennial Reporting Requirements  
650.60 Appeal of Local School Board Decisions (Repealed)  
650.63 Appeal of Local School Board Decisions  
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- 650.100 Appeals to, and Requests for Consideration by, the Commission (Repealed)  
650.110 Review of Appeals and Requests for Consideration; Decision (Repealed)

SUBPART D: CHARTER SCHOOL REVOLVING LOAN PROGRAM

Section

- 650.200 Purpose  
650.210 Use of Funds  
650.220 Maximum Amount of Loan  
650.230 Application Procedures  
650.240 Review of Application and Notification of Loan Award

- 650.250      Repayment Procedures  
650.260      Terms and Conditions of Loan Agreement

650.APPENDIX A    Principles and Standards for Authorizing Charter Schools

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

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; amended at 41 Ill. Reg. 136, effective December 27, 2016; amended at 42 Ill. Reg. 3182, effective January 31, 2018; amended at 44 Ill. Reg. 13375, effective July 28, 2020.

## SUBPART A: GENERAL PROVISIONS

**Section 650.10 Definitions**

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

"Authorizer" has the meaning set forth in Section 27A-3 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" or "Code" means 105 ILCS 5.

"State Board" means the Illinois State Board of Education.

"State Superintendent" means the State Superintendent of Education.

(Source: Amended at 44 Ill. Reg. 13375, effective July 28, 2020)

**Section 650.20 Purpose**

Article 27A of the 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 or by two or more local boards of education pursuant to Section 27A-4(e) of the Code.

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

(Source: Amended at 44 Ill. Reg. 13375, effective July 28, 2020)

## SUBPART B: ACTIONS OF THE STATE BOARD OF EDUCATION

**Section 650.30 Submission to the State Board 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 (f) no 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 no later than seven days following the meeting date.
  - 2) In the 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 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 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.

- 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 Code 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 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 Code and 23 Ill. Adm. Code 228 (Transitional Bilingual Education).
- c) Reports of denials, revocations or non-renewals shall consist of all of the following:
- 1) The charter proposal or current charter contract voted upon by each of the local boards of education;
  - 2) A copy of each board's resolution setting forth the board's action and its reasons for the action;
  - 3) Any other documents upon which each board relied in denying the current proposal or revoking or not renewing the contract.
- d) Reports of revocations or non-renewals must also contain a notice to the charter holder to the effect that a revocation or non-renewal of a charter school contract may be appealed to the State Board of Education within 21 days after the date that the school board voted to revoke or not renew a contract.
- e) 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 Code.
- f) Reports shall be submitted via electronic submission to [charter@isbe.net](mailto: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

(Source: Amended at 44 Ill. Reg. 13375, effective July 28, 2020)

**Section 650.35 Submission to the State Board of Education: Commission (Repealed)**

(Source: Repealed at 44 Ill. Reg. 13375, effective July 28, 2020)



**Section 650.40 Review of Local Approvals by the State Superintendent of Education**

- a) The State Superintendent shall review each report of an approved application 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 Code. Proposed contractual agreements that are complete and compliant with the provisions of Article 27A of the 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 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 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 and the applicant or charter holder as to a determination made with respect to a report of an approved application or renewal by certified mail within 30 days after receipt of the report. (See Section 27A-8(f) of the Code.)

(Source: Amended at 44 Ill. Reg. 13375, effective July 28, 2020)

**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. (See Section 27A-6(e) of the 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 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(f). 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 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 (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 or academic year.
  - 7) Curriculum changes.

(Source: Amended at 44 Ill. Reg. 13375, effective July 28, 2020)

**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:

## SUBTITLE A

## SUBCHAPTER o

- 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 650.63 Appeal of Local School Board Decisions**

- a) A charter holder may appeal to the State Board of Education a local school board report that revokes or refuses to renew a charter. Any appeal must be submitted to the State Superintendent no later than 21 days after the local school board voted on the charter revocation or non-renewal.
  - 1) The appeal shall be submitted electronically to the State Superintendent at [charterappeals@isbe.net](mailto:charterappeals@isbe.net), with a copy sent by certified mail or electronic mail to the local school board.
  - 2) Based on the information available to the charter holder, the appeal submitted by the charter holder shall state the reason why the decision of the local school board should be overturned.
  - 3) Any appeal not submitted within the deadline specified in this subsection (a) will not be considered by the State Superintendent, and the State Superintendent will notify the applicant that the appeal will not be considered.
- b) The State Superintendent will conduct a documentary review of the materials submitted with any appeal that is filed within the deadline specified in subsection (a), which, at the State Superintendent's discretion, may be conducted by State Board personnel or independent evaluators. The parties shall submit any additional information that the State Superintendent determines is necessary to consider the appeal.
- c) Hearings on Charter Appeals
  - 1) Within 7 days after receipt of any appeal that is timely filed under subsection (a), the State Superintendent will select a hearing officer and will issue a written Notice of Opportunity for Hearing, which will be served upon the local school board and the charter holder.
    - A) The Notice of Opportunity for Hearing must include a copy of the appeal and the electronic or mailing address to which the recipient of the Notice must send the request for hearing.
    - B) A request for hearing must be submitted to the State Superintendent within 10 days after receipt of the Notice of Opportunity for Hearing.



- 2) If no hearing is requested in accordance with this subsection (c), the hearing officer shall issue an order finding that no hearing has been requested and that a proposed order will be generated in accordance with subsection (d)(3).
- 3) No later than 10 days following the receipt of a request for a hearing, the hearing officer must issue to the parties a Notice of Hearing. The Notice of Hearing must include the date, time, and location of the hearing, with the hearing convened and conducted no later than 45 days after receipt of a timely filed appeal under subsection (a), unless otherwise agreed to by all parties to the matter. The hearing must be conducted at either the State Board of Education's Springfield office or Chicago office, unless the State Superintendent, local school board, and charter holder all agree on an alternative location. No less than 48 hours before the hearing, the Notice of Hearing must be posted on the State Board's website and at the principal office holding the meeting.
- 4) A local school board may submit to the State Superintendent a formal response to the appeal.
  - A) The response must be submitted electronically to the State Superintendent at [charterappeals@isbe.net](mailto:charterappeals@isbe.net), with a copy sent by certified mail or electronic mail to the charter holder.
  - B) The response must address the reasons for the local school board's decision to revoke or not renew the charter of the charter holder, to the extent not already addressed in the local school board's final report submitted under Section 650.30 of this Part. In accordance with Section 27A-9(c) of the School Code, *no local school board may arbitrarily or capriciously revoke or not renew a charter*. The response must also detail how the local school board will ensure that all students who are currently enrolled in the charter school will be offered placement in a higher performing school, *as defined in the State's Every Student Succeeds Act accountability plan*. If the local school board is unable to offer all students placement in a higher performing school, the response *must detail, by clear and convincing evidence, that factors unrelated to the charter school's accountability designation outweigh the charter school's academic performance*.
  - C) If the hearing officer receives this response before the date of the hearing, he or she must consider it as part of his or her proposed order under subsection (d)(2).

- 5) The following shall be the order of proceedings for all hearings concerning a local school board's decision to revoke or not renew a charter, subject to modification by the hearing officer for good cause:
    - A) Oral presentation by the charter holder of up to 45 minutes to address the reasons why the decision of the local school board should be overturned. The charter holder may cede any part of its time to any member of the public who wishes to speak on the charter holder's behalf.
    - B) Oral presentation by the local school board or boards of up to 45 minutes each to address the reasons why a local school board's decision was proper under Article 27A of the School Code. The local board may cede any part of its time to any member of the public who wishes to speak on the local board's behalf.
    - C) Questions to the charter holder to clarify any issues or to address any deficiencies noted by State Board personnel or independent evaluators through the documentary review conducted under subsection (b).
    - D) Questions to the local school board to clarify any issues or to address any deficiencies noted by State Board personnel or independent evaluators through the documentary review conducted under subsection (b).
  - 6) A hearing conducted under this subsection (c) must be open to the public.
- d) Proposed Orders
- 1) In reviewing appeals, the State Board will consider whether the charter school subject to closure *is in compliance with Article 27A of the Code and is in the best interests of the students the charter school is designed to serve.* (Section 27A-9(e) of the Code)
  - 2) No later than 14 days after the close of a hearing, the hearing officer shall issue proposed findings of fact and conclusions of law and make recommendations by way of a proposed order that complies with Section 10-45 of the Illinois Administrative Procedure Act [5 ILCS 100] (IAPA). These recommendations must be made upon consideration of the record as a whole or any portion of the record as may be supported by competent, material, and substantial evidence. After the hearing officer issues his or

her proposed order to the State Superintendent, the State Superintendent will review the record and the hearing officer's findings of fact, conclusions of law, and recommendations and may accept, reject, or modify the hearing officer's recommendation.

- 3) If no hearing is conducted under this Section, the State Superintendent will review any appeal materials submitted by the parties and any additional analysis conducted by State Board personnel or independent evaluators under subsection (b), and will make a recommendation, by way of a proposed order that complies with IAPA Section 10-45.
  - 4) The State Superintendent will forward a copy of the proposed findings of fact, conclusions of law, and recommendations to both the charter holder and the local school board or boards.
- e) Final Decision
- 1) The State Superintendent will submit his or her findings and recommendation, together with any exceptions or briefs, to the State Board for a final decision.
  - 2) A copy of the final decision will be sent by certified mail to each party no later than 60 days after receipt of the appeal, after receipt of any additional information requested under subsection (b), after the date of the hearing conducted under this Section, or after receipt of any exceptions or briefs filed in accordance with IAPA Section 10-45, whichever occurs last. The State Board's failure to strictly comply to the time constraints under this subsection (e)(2) does not invalidate the State Board's final decision.
  - 3) The decision of the State Board is final unless appealed under the Administrative Review Law [735 ILCS 5/Art. III], as provided in Section 27A-9(e) of the Code.
- f) Any appeals validly-filed with the State Charter School Commission under Section 27A-9(e) of the Code that are still pending on June 30, 2020 will be determined by the State Board in accordance with this Section. The State Superintendent may extend the time for review as necessary for thorough review, but in no case may the extension exceed the time that would have been available had the appeal been submitted to the State Board on July 1, 2020.

(Source: Added at 44 Ill. Reg. 13375, effective July 28, 2020)

**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 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 Code for, or to close, charter schools that:
    - A) committed a material violation of any of the conditions, standards or procedures set forth in the charter; or
    - B) violated any provision of law from which the charter school was not exempted under Article 27A of the Code;
  - 4) Failure to require a plan of remediation pursuant to Section 27A-9(c) of the Code for, or to 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

## SUBTITLE A

## SUBCHAPTER o

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, or to close, charter schools for financial mismanagement or failure to meet generally accepted standards of fiscal management; 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 Code or this Part may be submitted in writing to the State Superintendent 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 unless:
    - A) It clearly appears on its face to be frivolous, trivial or designed or intended primarily to harass the authorizer;
    - B) The State Superintendent 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, 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.
- 3) At the conclusion of any complaint investigation, the State Board will 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 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 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 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. The authorizer and the State Superintendent 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.

## SUBTITLE A

## SUBCHAPTER o

- 3) The authorizer's written response shall include a statement addressing any of the deficiencies cited by the State Superintendent 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 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 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'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.

## SUBTITLE A

## SUBCHAPTER o

- 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 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 determines will assist him or her in responding to the identified deficiencies or the allegations in the complaint; 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 may mutually agree to a longer time for response, but in no case shall the response time exceed 90 days. The plan must be signed by the president and secretary of the local board of education, pursuant to Section 10-7 of the Code, as evidence that the board 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 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 may impose sanctions in accordance with subsection (i).
- i) **Sanctions Against an Authorizer**  
In accordance with Section 27A-12 of the 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" means removal of an authorizer's power to approve and oversee any new charter schools 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 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 the State Board 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 that the authorization for any charter school under the jurisdiction of a local school board that has had its power to authorize charter schools removed under this Section be transferred to the State Board.
  - 2) The State Superintendent 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. If the charter school does not consent to the transfer, it must provide written notification to the State Superintendent no later than 14 days after receipt of the transfer recommendation. If the State Superintendent does not receive this

notification, he or she shall present the transfer recommendation at a meeting of the State Board and the State Board will vote on whether to enter into a charter agreement with the charter school.

- A) The State Board will order a charter school that does not consent to a transfer under this subsection (j) to close. Prior to this direction, the State Board will permit members of the governing board of the charter school subject to closure to present written and oral comments to the State Board.
  - B) Any closure of a charter school pursuant to subsection (j)(2)(A) shall follow the procedures set forth in Section 650.70.
  - 3) 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 the State Board shall occur at the end of the school year.
  - 4) The term of the contract with the State Board after a transfer of authorizers may be for a period not to exceed five years following the date the State Board voted to assume jurisdiction over the transferred charter school.
- 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 clearly demonstrates that the charter school did any of the following or otherwise failed to comply with the requirements of Article 27A of the Code:
    - A) Exhibited low student performance, as defined in subsection (a)(4)(A), 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 Code; 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 ordering any charter school to close under this subsection (k), the State Superintendent will 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 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 for a return of authorizing powers. The State Board of Education will 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-level or national-level training program designed to develop the capacity and effectiveness of charter school authorizers.

(Source: Amended at 44 Ill. Reg. 13375, effective July 28, 2020)

**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 or guardians 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

- iii) copies of the notices required by subsection (a)(2).
- 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 Code.
- c) **Student Records**

The governing body or its designee shall transfer its students' permanent and temporary records, as defined in 23 Ill. Adm. Code 375.10, to the school's chartering entity or entities, as set forth in 23 Ill. Adm. Code 375.75, except that, if the State Board 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;
  - 9) accounting reports, budgets, journals, ledgers, and registers;
  - 10) annual financial reports prepared by independent auditors;

## SUBTITLE A

## SUBCHAPTER o

- 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, or federal funds were used to acquire the asset, along with information from which the percentage of State 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;
  - 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 44 Ill. Reg. 13375, effective July 28, 2020)



## SUBPART C: ACTIONS OF THE STATE CHARTER SCHOOL COMMISSION

**Section 650.100 Appeals to, and Requests for Consideration by, the Commission  
(Repealed)**

(Source: Repealed at 44 Ill. Reg. 13375, effective July 28, 2020)

**Section 650.110 Review of Appeals and Requests for Consideration; Decision (Repealed)**

(Source: Repealed at 44 Ill. Reg. 13375, effective July 28, 2020)

## SUBPART D: CHARTER SCHOOL REVOLVING LOAN PROGRAM

**Section 650.200 Purpose**

This Subpart D establishes the procedures and criteria for applications submitted by eligible applicants pursuant to the Charter School Revolving Loan Program established by Section 27A-11.5(3) of the School Code [105 ILCS 5].

- a) For the purpose of the Charter School Revolving Loan Program, eligible applicants are only charter schools defined in Section 27A-5 of the School Code.
- b) A charter school is eligible to apply for a loan when it has been certified by the State Board of Education and at any time during its initial contract term of 5 years.

(Source: Added at 42 Ill. Reg. 3182, effective January 31, 2018)

**Section 650.210 Use of Funds**

Funding is available under the Charter School Revolving Loan Fund for start-up costs to acquire educational materials and supplies. These items include, but are not limited to: *textbooks, electronic textbooks and the technological equipment necessary to gain access to and use electronic textbooks; furniture and other equipment or materials needed in the initial contract term of the charter school; and acquiring and remodeling a suitable physical plant.* [105 ILCS 5/27A-11.5(3)]

(Source: Added at 42 Ill. Reg. 3182, effective January 31, 2018)

**Section 650.220 Maximum Amount of Loan**

The maximum loan amount shall be calculated on a per-pupil basis, based upon the total enrollment. An applicant may request a loan amount that does not exceed \$750 per pupil. For approved charter schools already in their initial contract term, the maximum loan amount shall be calculated using the enrollment as reported to the State Board of Education as of March 1 of the current school year. Loan amounts for new charter schools will be calculated using the projected enrollment during the first year of the initial contract term.

(Source: Added at 42 Ill. Reg. 3182, effective January 31, 2018)

**Section 650.230 Application Procedures**

- a) The State Board of Education shall distribute application forms to all eligible applicants by the first business day of January for the following fiscal year. Applications will be due to the State Board no later than March 15 of the fiscal year preceding the fiscal year in which loans will be made.
- b) Each application for a loan shall include the following information:
  - 1) A list of all applicable expenditure categories, as described in Section 650.210(a), for which loan proceeds will be used;
  - 2) The amount of the loan requested, which shall not exceed the amount calculated pursuant to Section 650.220;
  - 3) A description of the proposed uses of the loan funds, as specified in the resolution adopted by the applicant's governing board authorizing submission of the loan application;
  - 4) Assurances and certifications as the State Board may require, to include at least the following:
    - A) the loan proceeds shall be used for the items specified in Section 27-11.5(3) of the School Code or for building-wide facility needs specified on the application;
    - B) the governing board approved a resolution authorizing submission of the loan application, specifying the date of that approval; and
    - C) the participant shall comply with Section 27A-11.5(3) of the School Code, this Subpart and the loan agreement (see Section 650.260).
- c) Each loan application shall bear original signatures of the chief administrative officer and of the president of the governing board and shall be sent to the State Board as specified in the application. Applications must be postmarked no later than 30 calendar days after the governing board's approval. Applications postmarked later than 30 days after governing board's approval will be returned to the applicant as ineligible for consideration. An applicant whose request has been returned as ineligible may reapply during the funding cycle, provided it has met all of the requirements of subsection (b) of this Section and Section 650.240.

- d) Applications received after March 15 of the fiscal year preceding the fiscal year in which a loan is requested shall not be processed unless there are remaining funds. Any remaining funds will be distributed pursuant to Section 650.240(b).
- e) Applicants are limited to one loan per charter school. For charter schools with multiple campuses, one loan per charter school campus will be permitted.

(Source: Added at 42 Ill. Reg. 3182, effective January 31, 2018)

**Section 650.240 Review of Application and Notification of Loan Award**

- a) Applications shall be reviewed for completeness. If an application is incomplete, State Board of Education staff shall request the missing information from the applicant no later than 5 calendar days after receipt of the application. Applications will not be processed until all requested information is received. Applicants will have 5 calendar days to provide missing information to the State Board of Education staff. Resubmitted applications shall receive the new submission date and time. This new submission date and time will reposition the application on the first-come, first-served list of applicants and may result in the application not being funded if appropriations are insufficient.
- b) All complete applications that demonstrate compliance with Section 27A-11.5(3) of the School Code and this Subpart shall be eligible for funding. Eligible applications received on or before March 15 of each fiscal year shall receive a loan on a first-come, first-served basis, as long as funds appropriated for a given fiscal year remain available.
- c) Notification of a loan award shall be made no later than 15 calendar days after the application due date established in subsection (b).
- d) Charter schools otherwise eligible but not receiving loans due to insufficiency of the appropriation shall receive first consideration in the next fiscal year using the enrollment specified on the application for funding. Applicants may request to withdraw their initial application in order to submit a new application during the next application period to reflect increased enrollment. The new application will be subject to the normal review process with all other applications received, without any special priority.

(Source: Added at 42 Ill. Reg. 3182, effective January 31, 2018)



**Section 650.250 Repayment Procedures**

Loans shall be repaid by the end of the initial contract term of the charter school. (See Section 27A-11.5 of the School Code.)

- a) No interest will be charged on these loans. The State Board of Education 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 those amounts from funds due to 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.
- b) Repayment
  - 1) The loan must be paid in full by December 15 of the final year of the initial contract term.
  - 2) Checks shall be made payable to "ISBE – Charter School Revolving Loan Fund" and mailed to the Fiscal and Procurement Division, Illinois State Board of Education, 100 North First Street, W-380, Springfield, Illinois 62777-0001.
  - 3) A recipient may prepay the loan amount in its entirety at any time before December 15 of the final year of the initial contract term, provided that the recipient first contacts the State Superintendent's designee to obtain information on how to remit the payment and the total amount to be paid.

(Source: Added at 42 Ill. Reg. 3182, effective January 31, 2018)

**Section 650.260 Terms and Conditions of Loan Agreement**

- a) Loan proceeds under this program shall be used exclusively for the purposes listed in Section 650.210 and shall be expended in accordance with the approved application and the recipient's policies and procedures related to those expenditures. In the event the loan proceeds are not expended in the manner approved, the recipient, upon written notification from the State Board of Education, shall be required to submit, by the next payment due date, payment of the outstanding loan.
- b) Loan proceeds shall be obligated no later than six months following receipt of the loan.
- c) Use of the loan proceeds shall be accounted for in accordance with generally accepted standards of governmental accounting principles.
- d) Recipients shall submit a report to the State Board of Education detailing how the loan proceeds were used no later than nine months after the receipt of the loan.
- f) In the event of default that is not cured within 90 calendar days, the State Superintendent or his or her designee shall take the action specified either in subsection (f)(1) or (f)(2). The recipient shall be ineligible for additional loans until good standing has been restored.
  - 1) In the event of default that is not cured within 90 calendar days, the State Superintendent or his or her designee shall notify the recipient in writing by certified mail, return receipt requested, that payment of the outstanding loans on the date of the notification is due immediately. The recipient shall have 30 days from the date the notification is received to submit its payment.
  - 2) The State Board may deduct amounts necessary to repay the loan from funds due to the recipient or may require that the local school board that authorized the charter school deduct those amounts from funds due to the recipient and remit these amounts to the State Board, provided that the local school board shall not be responsible for repayment of the loan.
- g) The contents of the approved application and terms and conditions of the loan shall be incorporated into a promissory note. Should the indebtedness represented by the promissory note or any part of that note be collected at law or in equity or in bankruptcy, receivership or other court proceedings or, if the promissory note is placed in the hands of attorneys for collection after default, the participant agrees to pay reasonable attorneys' fees and costs of collection.

(Source: Added at 42 Ill. Reg. 3182, effective January 31, 2018)

**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, or intra-agency 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, submits all required documentation pertaining to charter school approvals, denials, revocations, or non-renewals to the State Board of Education.

## 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;

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 January 2014) and posted at <http://www2.ed.gov/programs/charter/fy14cspnonregguidance.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, revocations, or non-renewals to the State Board of Education.

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: Amended at 44 Ill. Reg. 13375, effective July 28, 2020)