

1.1 A bill for an act

1.2 relating to education; modifying charter school board of directors requirements;  
1.3 amending Minnesota Statutes 2007 Supplement, section 124D.10, subdivision 4.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2007 Supplement, section 124D.10, subdivision 4,  
1.6 is amended to read:

1.7 Subd. 4. **Formation of school.** (a) A sponsor may authorize one or more licensed  
1.8 teachers under section 122A.18, subdivision 1, to operate a charter school subject to  
1.9 approval by the commissioner. A board must vote on charter school application for  
1.10 sponsorship no later than 90 days after receiving the application. The school must be  
1.11 organized and operated as a cooperative under chapter 308A or nonprofit corporation  
1.12 under chapter 317A and the provisions under the applicable chapter shall apply to the  
1.13 school except as provided in this section. Notwithstanding sections 465.717 and 465.719,  
1.14 a school district may create a corporation for the purpose of creating a charter school.

1.15 (b) Before the operators may form and operate a school, the sponsor must file an  
1.16 affidavit with the commissioner stating its intent to authorize a charter school. The  
1.17 affidavit must state the terms and conditions under which the sponsor would authorize a  
1.18 charter school and how the sponsor intends to oversee the fiscal and student performance  
1.19 of the charter school and to comply with the terms of the written contract between the  
1.20 sponsor and the charter school board of directors under subdivision 6. The commissioner  
1.21 must approve or disapprove the sponsor's proposed authorization within 90 days of  
1.22 receipt of the affidavit. Failure to obtain commissioner approval precludes a sponsor from  
1.23 authorizing the charter school that was the subject of the affidavit.

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2.1 (c) The operators authorized to organize and operate a school, before entering into  
2.2 a contract or other agreement for professional or other services, goods, or facilities,  
2.3 must incorporate as a cooperative under chapter 308A or as a nonprofit corporation  
2.4 under chapter 317A and must establish a board of directors composed of at least five  
2.5 members until a timely election for members of the charter school board of directors is  
2.6 held according to the school's articles and bylaws. A charter school board of directors  
2.7 must be composed of at least five members. Any staff members who are employed at the  
2.8 school, including teachers providing instruction under a contract with a cooperative, and  
2.9 all parents of children enrolled in the school may participate in the election for members  
2.10 of the school's board of directors. Licensed teachers employed at the school, including  
2.11 teachers providing instruction under a contract with a cooperative, ~~must~~ may be a majority  
2.12 of the members of the board of directors ~~before the school completes its third year of~~  
2.13 ~~operation, unless the commissioner waives the requirement for a majority of licensed~~  
2.14 ~~teachers on the board.~~ Board of director meetings must comply with chapter 13D.

2.15 (d) The granting or renewal of a charter by a sponsoring entity must not be  
2.16 conditioned upon the bargaining unit status of the employees of the school.

2.17 (e) A sponsor may authorize the operators of a charter school to expand the  
2.18 operation of the charter school to additional sites or to add additional grades at the school  
2.19 beyond those described in the sponsor's application as approved by the commissioner only  
2.20 after submitting a supplemental application to the commissioner in a form and manner  
2.21 prescribed by the commissioner. The supplemental application must provide evidence that:

- 2.22 (1) the expansion of the charter school is supported by need and projected enrollment;
- 2.23 (2) the charter school is fiscally sound;
- 2.24 (3) the sponsor supports the expansion; and
- 2.25 (4) the building of the additional site meets all health and safety requirements to  
2.26 be eligible for lease aid.

2.27 (f) The commissioner annually must provide timely financial management training  
2.28 to newly elected members of a charter school board of directors and ongoing training to  
2.29 other members of a charter school board of directors. Training must address ways to:

- 2.30 (1) proactively assess opportunities for a charter school to maximize all available  
2.31 revenue sources;
- 2.32 (2) establish and maintain complete, auditable records for the charter school;
- 2.33 (3) establish proper filing techniques;
- 2.34 (4) document formal actions of the charter school, including meetings of the charter  
2.35 school board of directors;
- 2.36 (5) properly manage and retain charter school and student records;

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- 3.1 (6) comply with state and federal payroll record-keeping requirements; and
- 3.2 (7) address other similar factors that facilitate establishing and maintaining complete
- 3.3 records on the charter school's operations.