

Minnesota's Charter School Law

A charter school is a public school with a specialized purpose that is exempt from some statutes and rules applicable to other public schools

A charter school is a public school, part of the state's system of public education, and subject to the high school graduation requirement. The law provides that a charter school's purpose is to enhance students' learning opportunities and achievement, improve teaching opportunities and methods, or improve school accountability measures. It must be nonsectarian and provide a comprehensive instructional program for at least one grade or age group of students. The school calendar must meet or exceed the number of instructional days provided to other public school students. A charter school may offer instruction throughout the school year under the flexible learning year or learning year program.

A charter school is exempt from statutes and rules applicable to a school, a school board, or a school district, except as provided in the charter school law or in another law made specifically applicable to charter schools.

Teachers, parents, and districts may form a charter school

With an authorizer, interested teachers and parents and district-created corporations may establish and operate a charter school or a school board may convert a school to a charter school if 60 percent of the school's full-time teachers petition the board. A charter school operator must incorporate as a nonprofit corporation. An initial board of directors must adopt articles and bylaws, and school staff and parents must elect an initial board of directors and an ongoing board within three years. Teachers may be a majority of board members. Board meetings are subject to the open meeting law. A charter school may be located in any school district unless the local school board objects.

An eligible authorizer must charter a school

Any one of five entities may authorize one or more charter schools: a school board, an intermediate school board, or an education district; certain charitable organizations; a Minnesota private college, a college or university that is part of the Minnesota State Colleges and Universities system, and the University of Minnesota; a nonprofit corporation; and single-purpose authorizers that are charitable organizations formed solely to operate charter schools. The Commissioner of Education has 45 business days to approve an authorizer's application to charter a school. An authorizer annually must monitor and evaluate the financial, operational, and student performance of the charter schools it authorizes. The authorizer may charge an evaluation fee. With commissioner approval, an authorizer may permit a charter school to expand to additional sites or add grades. An authorizer may or may not renew a charter school contract at the end of the term and may unilaterally terminate a contract during the term for cause. An authorizer is immune from civil and criminal liability for all activities related to a charter school. The commissioner must review an authorizer's performance at least every five years, may undertake more frequent reviews, and may take corrective action against an authorizer.

A charter school must have a contract

An authorizer and a charter school board of directors must sign a contract that at least specifies the program purpose, student outcomes, admissions requirements, an operating plan, compliance with federal and state laws, ongoing oversight of operational, financial, and academic performance, school evaluation criteria, liability insurance, an initial three-year contract that may be renewed for up to five years, applicable special education agreements, and a plan for an orderly school closing. The board of directors may sue and be sued.

A charter school receives state funding

A charter school receives general education and transportation revenue, special education and building lease aid, and other funds as though it were a school district. A charter school may use total operating capital revenue, accept funds for capital facilities needs, and apply for integration aid. It may not use state funds to purchase land or buildings. A charter school in statutory operating debt must have a plan to eliminate the debt. A charter school that notifies the commissioner by July 1 that it will transport students receives state transportation aid. A charter school need not transport students between a nonresident student's home and the border of the school district in which the charter school is located. A board of directors may not levy taxes or issue bonds. Conflicts of interest are prohibited and any board member who violates the prohibition is individually liable. A charter school is subject to the same financial audits and audit procedures as a school district. The commissioner must provide board members with financial management training.

A charter school may buy or lease a facility or may organize a nonprofit corporation to renovate, purchase, or construct a facility

A charter school may purchase land or buildings with nonstate funds and may lease instructional space from an eligible school board, a public or private nonprofit nonsectarian organization or other nonsectarian organization, or from a sectarian organization in some cases. A charter school with insufficient total operating capital revenue may receive state building lease aid to rent or lease a building or land. A charter school may organize an affiliated nonprofit building corporation to renovate or purchase an existing facility or to construct a new facility. To avoid any conflict of interest, a charter school may not enter into a lease with a related party unless the lessor is a nonprofit corporation and the lease cost is reasonable. The commissioner may recover excess lease payments when a charter school enters into a lease with a related party and later closes.

A charter school can be dissolved

When an authorizer unilaterally terminates or does not renew a charter school contract after notifying the board and conducting an informal hearing if requested, the charter school must be dissolved unless the commissioner approves a change to a different eligible authorizer. The commissioner may terminate a charter school contract for failing to meet pupil performance requirements, fiscal mismanagement, law violations, or other good cause. If an authorizer and a charter school agree to terminate or not renew a contract, the school must be dissolved unless the commissioner approves a change to a different eligible authorizer. Students enrolled in a charter school that is closed may enroll in the resident district or apply to a nonresident district under the open enrollment program; open enrollment application and notice deadlines do not apply in this case.

For more information: Contact legislative analyst Lisa Larson at 651-296-8036. Also see the House Research information brief [Charter Schools](#), November 2005.

The Research Department of the Minnesota House of Representatives is a nonpartisan office providing legislative, legal, and information services to the entire House.