

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 COMMITTEE SUBSTITUTE

4 FOR

HOUSE BILL NO. 2720

By: Virgin

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6
7 COMMITTEE SUBSTITUTE

8 An Act relating to charter schools; amending 70 O.S.
9 2011, Sections 3-132, as last amended by Section 1,
Chapter 170, O.S.L. 2015, 3-134 and 3-135, as amended
10 by Sections 2 and 3, Chapter 170, O.S.L. 2015, 3-136,
as amended by Section 1, Chapter 277, O.S.L. 2014, 3-
11 137, as amended by Section 4, Chapter 170, O.S.L.
2015, and 3-140 and 3-142, as last amended by
12 Sections 5 and 6, Chapter 170, O.S.L. 2015 (70 O.S.
Supp. 2015, Sections 3-132, 3-134, 3-135, 3-136, 3-
13 137, 3-140 and 3-142), which relate to the Oklahoma
Charter Schools Act; modifying definitions of a
14 charter school and conversion charter school;
excluding the governing board of a conversion charter
15 school from certain categories; requiring the board
of education to comply with certain provisions prior
16 to converting a school; requiring documents to be in
writing and subject to the Oklahoma Open Records Act;
17 requiring all votes of a board relating to converting
a school to be in open session; requiring certain
18 notification; exempting certain boards of education
from certain contract requirements; adding conversion
19 charter schools to certain exemption; prohibiting a
local education agency from converting without
20 complying with certain provisions; requiring a
conversion charter school to comply with certain
21 accountability measures; adding conversion charter
schools to charter adoption requirements; exempting
22 conversion charter schools from tort liability,
statement of expenditures, contracting, taxing and
23 property disposal requirements; exempting conversion
charter schools from certain contract duration,
24 contract renewal, termination and performance-
reporting requirements; adding conversion charter

1 schools to procedures for identifying and closing
2 certain low-performing charter schools by the State
3 Board of Education; exempting conversion charter
4 schools from certain student eligibility and
5 enrollment requirements; requiring conversion charter
6 schools to enroll certain students; exempting the
7 governing body of a conversion charter school from
8 certain taxing and bonding restrictions; amending 70
9 O.S. 2011, Section 5-117, as last amended by Section
10 1, Chapter 166, O.S.L. 2015 (70 O.S. Supp. 2015,
11 Section 5-117), which relates to the powers and
12 duties of boards of education of school districts;
13 modifying certain powers; providing an effective
14 date; and declaring an emergency.

15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

16 SECTION 1. AMENDATORY 70 O.S. 2011, Section 3-132, as
17 last amended by Section 1, Chapter 170, O.S.L. 2015 (70 O.S. Supp.
18 2015, Section 3-132), is amended to read as follows:

19 Section 3-132. A. The Oklahoma Charter Schools Act shall apply
20 only to charter schools formed and operated under the provisions of
21 the act. Charter schools shall be sponsored only as follows:

22 1. By any school district located in the State of Oklahoma,
23 provided such charter school shall only be located within the
24 geographical boundaries of the sponsoring district and subject to
the restrictions of Section 3-145.6 of this title;

2. By a technology center school district if the charter school
is located in a school district served by the technology center
school district in which all or part of the school district is

1 located in a county having more than five hundred thousand (500,000)
2 population according to the latest Federal Decennial Census;

3 3. By a technology center school district if the charter school
4 is located in a school district served by the technology center
5 school district and the school district has a school site that has
6 been identified as in need of improvement by the State Board of
7 Education pursuant to the Elementary and Secondary Education Act of
8 1965, as amended or reauthorized;

9 4. By an accredited comprehensive or regional institution that
10 is a member of The Oklahoma State System of Higher Education or a
11 community college if the charter school is located in a school
12 district in which all or part of the school district is located in a
13 county having more than five hundred thousand (500,000) population
14 according to the latest Federal Decennial Census;

15 5. By a comprehensive or regional institution that is a member
16 of The Oklahoma State System of Higher Education if the charter
17 school is located in a school district that has a school site that
18 has been identified as in need of improvement by the State Board of
19 Education pursuant to the Elementary and Secondary Education Act of
20 1965, as amended or reauthorized. In addition, the institution
21 shall have a teacher education program accredited by the Oklahoma
22 Commission for Teacher Preparation and have a branch campus or
23 constituent agency physically located within the school district in
24 which the charter school is located in the State of Oklahoma;

1 6. By a federally recognized Indian tribe, operating a high
2 school under the authority of the Bureau of Indian Affairs as of
3 November 1, 2010, if the charter school is for the purpose of
4 demonstrating native language immersion instruction, and is located
5 within its former reservation or treaty area boundaries. For
6 purposes of this paragraph, native language immersion instruction
7 shall require that educational instruction and other activities
8 conducted at the school site are primarily conducted in the native
9 language;

10 7. By the State Board of Education when the applicant of the
11 charter school is the Office of Juvenile Affairs or the applicant
12 has a contract with the Office of Juvenile Affairs to provide a
13 fixed rate level E, D, or D+ group home service and the charter
14 school is for the purpose of providing education services to youth
15 in the custody or supervision of the state. Not more than two
16 charter schools shall be sponsored by the Board as provided for in
17 this paragraph during the period of time beginning July 1, 2010,
18 through July 1, 2016; or

19 8. By the State Board of Education when the applicant has first
20 been denied a charter by the local school district in which it seeks
21 to operate. In counties with fewer than five hundred thousand
22 (500,000) population, according to the latest Federal Decennial
23 Census, the State Board of Education shall not sponsor more than
24 five charter schools per year each year for the first five (5) years

1 after the effective date of this act, with not more than one charter
2 school sponsored in a single school district per year. In order to
3 authorize a charter school under this section, the State Board of
4 Education shall find evidence of all of the following:

- 5 a. a thorough and high-quality charter school application
6 from the applicant based on the authorizing standards
7 in subsection B of Section 3-134 of this title,
- 8 b. a clear demonstration of community support for the
9 charter school, and
- 10 c. the grounds and basis of objection by the school
11 district for denying the operation of the charter are
12 not supported by the greater weight of evidence and
13 the strength of the application.

14 B. An eligible non-school-district sponsor shall give priority
15 to opening charter schools that serve at-risk student populations or
16 students from low-performing traditional public schools.

17 C. An eligible non-school-district sponsor shall give priority
18 to applicants that have demonstrated a record of operating at least
19 one school or similar program that demonstrates academic success and
20 organizational viability and serves student populations similar to
21 those the proposed charter school seeks to serve. In assessing the
22 potential for quality replication of a charter school, a sponsor
23 shall consider the following factors before approving a new site or
24 school:

1 1. Evidence of a strong and reliable record of academic success
2 based primarily on student performance data, as well as other viable
3 indicators, including financial and operational success;

4 2. A sound, detailed, and well-supported growth plan;

5 3. Evidence of the ability to transfer successful practices to
6 a potentially different context that includes reproducing critical
7 cultural, organizational and instructional characteristics;

8 4. Any management organization involved in a potential
9 replication is fully vetted, and the academic, financial and
10 operational records of the schools it operates are found to be
11 satisfactory;

12 5. Evidence the program seeking to be replicated has the
13 capacity to do so successfully without diminishing or putting at
14 risk its current operations; and

15 6. A financial structure that ensures that funds attributable
16 to each charter school within a network and required by law to be
17 utilized by a school remain with and are used to benefit that
18 school.

19 D. For purposes of the Oklahoma Charter Schools Act, "charter
20 school" means a conversion charter school as defined in subsection E
21 of this section or a public school established by contract with a
22 board of education of a school district, a ~~conversion charter~~
23 ~~school~~, an area vocational-technical school district, a higher
24 education institution, a federally recognized Indian tribe, or the

1 State Board of Education pursuant to the Oklahoma Charter Schools
2 Act to provide learning that will improve student achievement and as
3 defined in the Elementary and Secondary Education Act of 1965, 20
4 U.S.C. 8065.

5 E. For the purposes of the Oklahoma Charter Schools Act,
6 "conversion charter school" means a ~~charter~~ school created by
7 converting all or any part of a traditional public school or site
8 into a charter school which may be operated by the school district
9 board of education ~~or by an independent operating board elected by~~
10 ~~and accountable to the school district board of education.~~

11 F. A charter school may consist of a new school site, new
12 school sites or all or any portion of an existing school site. An
13 entire school district may not become a charter school site.

14 SECTION 2. AMENDATORY 70 O.S. 2011, Section 3-134, as
15 amended by Section 2, Chapter 170, O.S.L. 2015 (70 O.S. Supp. 2015,
16 Section 3-134), is amended to read as follows:

17 Section 3-134. A. For written applications filed after January
18 1, 2008, prior to submission of the application to a proposed
19 sponsor seeking to establish a charter school, the applicant shall
20 be required to complete training which shall not exceed ten (10)
21 hours provided by the State Department of Education on the process
22 and requirements for establishing a charter school. The Department
23 shall develop and implement the training by January 1, 2008. The
24 Department may provide the training in any format and manner that

1 the Department determines to be efficient and effective including,
2 but not limited to, web-based training.

3 B. Except as otherwise provided for in Section 3-137 of this
4 title, an applicant seeking to establish a charter school shall
5 submit a written application to the proposed sponsor as prescribed
6 in subsection ~~E~~ F of this section. The application shall include:

7 1. A mission statement for the charter school;

8 2. A description including, but not limited to, background
9 information of the organizational structure and the governing body
10 of the charter school;

11 3. A financial plan for the first five (5) years of operation
12 of the charter school and a description of the treasurer or other
13 officers or persons who shall have primary responsibility for the
14 finances of the charter school. Such person shall have demonstrated
15 experience in school finance or the equivalent thereof;

16 4. A description of the hiring policy of the charter school;

17 5. The name of the applicant or applicants and requested
18 sponsor;

19 6. A description of the facility and location of the charter
20 school;

21 7. A description of the grades being served;

22 8. An outline of criteria designed to measure the effectiveness
23 of the charter school;

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1 9. A demonstration of support for the charter school from
2 residents of the school district which may include but is not
3 limited to a survey of the school district residents or a petition
4 signed by residents of the school district;

5 10. Documentation that the applicants completed charter school
6 training as set forth in subsection A of this section;

7 11. A description of the minimum and maximum enrollment planned
8 per year for each term of the charter contract;

9 12. The proposed calendar for the charter school and sample
10 daily schedule;

11 13. Unless otherwise authorized by law or regulation, a
12 description of the academic program aligned with state standards;

13 14. A description of the instructional design of the charter
14 school, including the type of learning environment, class size and
15 structure, curriculum overview and teaching methods;

16 15. The plan for using internal and external assessments to
17 measure and report student progress on the performance framework
18 developed by the applicant in accordance with subsection C of
19 Section 3-135 of this title;

20 16. The plans for identifying and successfully serving students
21 with disabilities, students who are English language learners and
22 students who are academically behind;

23 17. A description of cocurricular or extracurricular programs
24 and how they will be funded and delivered;

- 1 18. Plans and time lines for student recruitment and
2 enrollment, including lottery procedures;
- 3 19. The student discipline policies for the charter school,
4 including those for special education students;
- 5 20. An organizational chart that clearly presents the
6 organizational structure of the charter school, including lines of
7 authority and reporting between the governing board, staff, any
8 related bodies such as advisory bodies or parent and teacher
9 councils and any external organizations that will play a role in
10 managing the school;
- 11 21. A clear description of the roles and responsibilities for
12 the governing board, the leadership and management team for the
13 charter school and any other entities shown in the organizational
14 chart;
- 15 22. The leadership and teacher employment policies for the
16 charter school;
- 17 23. Proposed governing bylaws;
- 18 24. Explanations of any partnerships or contractual
19 partnerships central to the operations or mission of the charter
20 school;
- 21 25. The plans for providing transportation, food service and
22 all other significant operational or ancillary services;
- 23 26. Opportunities and expectations for parental involvement;
24

1 27. A detailed school start-up plan that identifies tasks, time
2 lines and responsible individuals;

3 28. A description of the financial plan and policies for the
4 charter school, including financial controls and audit requirements;

5 29. A description of the insurance coverage the charter school
6 will obtain;

7 30. Start-up and five-year budgets with clearly stated
8 assumptions;

9 31. Start-up and first-year cash-flow projections with clearly
10 stated assumptions;

11 32. Evidence of anticipated fundraising contributions, if
12 claimed in the application;

13 33. A sound facilities plan, including backup or contingency
14 plans if appropriate;

15 34. A requirement that the charter school governing board meet
16 at a minimum quarterly in the state and that for those charter
17 schools outside of counties with a population of five hundred
18 thousand (500,000) or more, that a majority of members are residents
19 within the geographic boundary of the sponsoring entity; and

20 35. A requirement that the charter school follow the
21 requirements of the Oklahoma Open Meeting Act and Oklahoma Open
22 Records Act.

23 C. A board of education of a public school district, public
24 body, public or private college or university, private person, or

1 private organization may contract with a sponsor to establish a
2 charter school. A private school shall not be eligible to contract
3 for a charter school under the provisions of the Oklahoma Charter
4 Schools Act.

5 D. The sponsor of a charter school is the board of education of
6 a school district, the board of education of a technology center
7 school district, a higher education institution, the State Board of
8 Education, or a federally recognized Indian tribe which meets the
9 criteria established in Section 3-132 of this title. Any board of
10 education of a school district in the state may sponsor one or more
11 charter schools. The physical location of a charter school
12 sponsored by a board of education of a school district or a
13 technology center school district shall be within the boundaries of
14 the sponsoring school district. The physical location of a charter
15 school sponsored by the State Board of Education when the applicant
16 of the charter school is the Office of Juvenile Affairs shall be
17 where an Office of Juvenile Affairs facility for youth is located.
18 The physical location of a charter school otherwise sponsored by the
19 State Board of Education pursuant to paragraph 8 of subsection A of
20 Section 3-132 of this title shall be in the school district in which
21 the application originated.

22 E. 1. For purposes of the Oklahoma Charter Schools Act, the
23 governing board of a conversion charter school shall not be
24 considered an applicant or a sponsor.

1 2. Prior to the board of education of a school district
2 converting part of a school or site to a conversion charter school,
3 the board shall with documentation demonstrate and comply with
4 paragraphs 1, 2, 6, 7, 8, 9, 10, 13, 14, 15, 16, 17, 19, 20, 21, 22,
5 23, 24, 34 and 35 of subsection B of this section. All documents
6 shall be in writing and shall be public records subject to the
7 requirements of the Oklahoma Open Records Act.

8 3. All votes by the board of education of a school district
9 relating to converting part of a school or site to a conversion
10 charter school shall be held in an open public session.

11 F. An applicant for a charter school may submit an application
12 to a proposed sponsor which shall either accept or reject
13 sponsorship of the charter school within ninety (90) days of receipt
14 of the application. If the proposed sponsor rejects the
15 application, it shall notify the applicant in writing of the reasons
16 for the rejection. The applicant may submit a revised application
17 for reconsideration to the proposed sponsor within thirty (30) days
18 after receiving notification of the rejection. The proposed sponsor
19 shall accept or reject the revised application within thirty (30)
20 days of its receipt. Should the sponsor reject the application on
21 reconsideration, the applicant may appeal the decision to the State
22 Board of Education with the revised application for review pursuant
23 to paragraph 8 of subsection A of Section 3-132 of this title. The
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1 State Board of Education shall hear the appeal no later than sixty
2 (60) days from the date received by the Board.

3 ~~F.~~ G. A board of education of a school district, board of
4 education of a technology center school district, higher education
5 institution, or federally recognized Indian tribe sponsor of a
6 charter school shall notify the State Board of Education ~~when~~ within
7 sixty (60) days after it accepts sponsorship of a charter school.
8 The notification shall include a copy of the charter of the charter
9 school. The board of education of a school district that converts a
10 school or site into a conversion charter school shall notify the
11 State Board of Education of the vote to approve the conversion. The
12 notification shall include a copy of the minutes for the board
13 meeting at which the conversion was approved.

14 ~~G.~~ H. Applicants for charter schools proposed to be sponsored
15 by an entity other than a school district pursuant to paragraph 1 of
16 subsection A of Section 3-132 of this title may, upon rejection of
17 the revised application, proceed to binding arbitration under the
18 commercial rules of the American Arbitration Association with costs
19 of the arbitration to be borne by the proposed sponsor. Applicants
20 for charter schools proposed to be sponsored by school districts
21 pursuant to paragraph 1 of subsection A of Section 3-132 of this
22 title may not proceed to binding arbitration but may be sponsored by
23 the State Board of Education as provided in paragraph 8 of
24 subsection A of Section 3-132 of this title.

1 ~~H.~~ I. If a board of education of a technology center school
2 district, a higher education institution, the State Board of
3 Education, or a federally recognized Indian tribe accepts
4 sponsorship of a charter school, the administrative, fiscal and
5 oversight responsibilities of the technology center school district,
6 the higher education institution, or the federally recognized Indian
7 tribe shall be listed in the contract. No responsibilities shall be
8 delegated to a school district unless the local school district
9 agrees to assume the responsibilities.

10 ~~I.~~ J. A sponsor of a public charter school shall have the
11 following powers and duties:

- 12 1. Provide oversight of the operations of charter schools in
13 the state through annual performance reviews of charter schools and
14 reauthorization of charter schools for which it is a sponsor;
- 15 2. Solicit and evaluate charter applications;
- 16 3. Approve quality charter applications that meet identified
17 educational needs and promote a diversity of educational choices;
- 18 4. Decline to approve weak or inadequate charter applications;
- 19 5. Negotiate and execute sound charter contracts with each
20 approved public charter school;
- 21 6. Monitor, in accordance with charter contract terms, the
22 performance and legal compliance of charter schools; and
- 23 7. Determine whether each charter contract merits renewal,
24 nonrenewal or revocation.

1 ~~J.~~ K. Sponsors shall establish a procedure for accepting,
2 approving and disapproving charter school applications in accordance
3 with subsection ~~H~~ F of this section.

4 ~~K.~~ L. Sponsors shall be required to develop and maintain
5 chartering policies and practices consistent with recognized
6 principles and standards for quality charter authorizing as
7 established by the State Department of Education in all major areas
8 of authorizing responsibility, including organizational capacity and
9 infrastructure, soliciting and evaluating charter applications,
10 performance contracting, ongoing charter school oversight and
11 evaluation and charter renewal decision-making.

12 ~~L.~~ M. Sponsors acting in their official capacity shall be
13 immune from civil and criminal liability with respect to all
14 activities related to a charter school with which they contract.

15 SECTION 3. AMENDATORY 70 O.S. 2011, Section 3-135, as
16 amended by Section 3, Chapter 170, O.S.L. 2015 (70 O.S. Supp. 2015,
17 Section 3-135), is amended to read as follows:

18 Section 3-135. A. The Except for a board of education of a
19 school district when acting as the governing board of a conversion
20 charter school as defined in Section 3-132 of this title, the
21 sponsor of a charter school shall enter into a written contract with
22 the governing body of the charter school. The contract shall
23 incorporate the provisions of the charter of the charter school and
24 contain, but shall not be limited to, the following provisions:

- 1 1. A description of the program to be offered by the school
2 which complies with the purposes outlined in Section 3-136 of this
3 title;
- 4 2. Admission policies and procedures;
- 5 3. Management and administration of the charter school,
6 including that a majority of the charter governing board members are
7 residents of the State of Oklahoma and meet no less than quarterly
8 in a public meeting within the boundaries of the school district in
9 which the charter school is located or within the State of Oklahoma
10 in the instance of multiple charter school locations by the same
11 sponsor;
- 12 4. Requirements and procedures for program and financial
13 audits;
- 14 5. A description of how the charter school will comply with the
15 charter requirements set forth in the Oklahoma Charter Schools Act;
- 16 6. Assumption of liability by the charter school;
- 17 7. The term of the contract;
- 18 8. A description of the high standards of expectation and rigor
19 for charter school plans and assurance that charter school plans
20 adopted meet at least those standards;
- 21 9. Policies that require that the charter school be as equally
22 free and open to all students as traditional public schools;

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1 10. Procedures that require students enrolled in the charter
2 school to be selected by lottery to ensure fairness if more students
3 apply than a school has the capacity to accommodate;

4 11. Policies that require the charter school to be subject to
5 the same academic standards and expectations as existing public
6 schools; and

7 12. A description of the requirements and procedures for the
8 charter school to receive funding in accordance with statutory
9 requirements and guidelines for existing public schools.

10 B. A charter school shall not enter into an employment contract
11 with any teacher or other personnel until the charter school has a
12 contract with a sponsoring school district. The employment contract
13 shall set forth the personnel policies of the charter school,
14 including, but not limited to, policies related to certification,
15 professional development evaluation, suspension, dismissal and
16 nonreemployment, sick leave, personal business leave, emergency
17 leave, and family and medical leave. The contract shall also
18 specifically set forth the salary, hours, fringe benefits, and work
19 conditions. The contract may provide for employer-employee
20 bargaining, but the charter school including a conversion charter
21 school shall not be required to comply with the provisions of
22 Sections 509.1 through 509.10 of this title. The contract shall
23 conform to all applicable provisions set forth in Section 3-136 of
24 this title.

1 Upon contracting with any teacher or other personnel, the
2 governing body of the charter school shall, in writing, disclose
3 employment rights of the employees in the event the charter school
4 closes or the charter is not renewed.

5 No charter school may begin serving students without a charter
6 contract executed in accordance with the provisions of the Oklahoma
7 Charter Schools Act and approved in an open meeting of the sponsor.
8 The sponsor may establish reasonable preopening requirements or
9 conditions to monitor the start-up progress of newly approved
10 charter schools and ensure that each school is prepared to open
11 smoothly on the date agreed and to ensure that each school meets all
12 building, health, safety, insurance and other legal requirements for
13 the opening of a school.

14 No local education agency may convert to a charter school
15 without first complying with subsection C of Section 3-134 of this
16 title.

17 C. The performance provisions within the charter contract shall
18 be based on a performance framework that clearly sets forth the
19 academic and operational performance indicators, measures and
20 metrics that will guide the evaluations of the charter school by the
21 sponsor. The sponsor shall require a charter school to submit the
22 data required in this section in the identical format that is
23 required by the State Department of Education of all public schools
24 in order to avoid duplicative administrative efforts or allow a

1 charter school to provide permission to the Department to share all
2 required data with the sponsor of the charter school. The
3 performance framework shall include indicators, measures and metrics
4 for, at a minimum:

5 1. Student academic proficiency;

6 2. Student academic growth;

7 3. Achievement gaps in both proficiency and growth between
8 major student subgroups;

9 4. Student attendance;

10 5. Recurrent enrollment from year to year as determined by the
11 methodology used for public schools in Oklahoma;

12 6. In the case of high schools, graduation rates as determined
13 by the methodology used for public schools in Oklahoma;

14 7. In the case of high schools, postsecondary readiness;

15 8. Financial performance and sustainability; and

16 9. Governing board performance and stewardship, including
17 compliance with all applicable laws, regulations and terms of the
18 charter contract.

19 D. The sponsor shall not request any metric or data from a
20 charter school that it does not produce or publish for all school
21 sites in the district or under its sponsorship, unless the metric or
22 data is unique to a charter school.

23 E. A conversion charter school shall be required to comply with
24 all accountability measures that are required of charter schools.

1 F. A charter contract may provide for one or more schools by an
2 applicant to the extent approved by the sponsor and consistent with
3 applicable law. An applicant or the governing board of an applicant
4 may hold one or more charter contracts. Each charter school that is
5 part of a charter contract shall be separate and distinct from any
6 other charter school under the same charter contract.

7 SECTION 4. AMENDATORY 70 O.S. 2011, Section 3-136, as
8 amended by Section 1, Chapter 277, O.S.L. 2014 (70 O.S. Supp. 2015,
9 Section 3-136), is amended to read as follows:

10 Section 3-136. A. A charter school, including a conversion
11 charter school except as otherwise provided for in this section,
12 shall adopt a charter which will ensure compliance with the
13 following:

14 1. A charter school shall comply with all federal regulations
15 and state and local rules and statutes relating to health, safety,
16 civil rights and insurance. By January 1, 2000, the State
17 Department of Education shall prepare a list of relevant rules and
18 statutes which a charter school must comply with as required by this
19 paragraph and shall annually provide an update to the list;

20 2. A charter school shall be nonsectarian in its programs,
21 admission policies, employment practices, and all other operations.
22 A sponsor may not authorize a charter school or program that is
23 affiliated with a nonpublic sectarian school or religious
24 institution;

1 3. The charter school may provide a comprehensive program of
2 instruction for a prekindergarten program, a kindergarten program or
3 any grade between grades one and twelve. Instruction may be
4 provided to all persons between the ages of four (4) and twenty-one
5 (21) years. A charter school may offer a curriculum which
6 emphasizes a specific learning philosophy or style or certain
7 subject areas such as mathematics, science, fine arts, performance
8 arts, or foreign language. The charter of a charter school which
9 offers grades nine through twelve shall specifically address whether
10 the charter school will comply with the graduation requirements
11 established in Section 11-103.6 of this title. No charter school
12 shall be chartered for the purpose of offering a curriculum for deaf
13 or blind students that is the same or similar to the curriculum
14 being provided by or for educating deaf or blind students that are
15 being served by the Oklahoma School for the Blind or the Oklahoma
16 School for the Deaf;

17 4. A charter school shall participate in the testing as
18 required by the Oklahoma School Testing Program Act and the
19 reporting of test results as is required of a school district. A
20 charter school shall also provide any necessary data to the Office
21 of Accountability;

22 5. Except as provided for in the Oklahoma Charter Schools Act
23 and its charter, a charter school shall be exempt from all statutes
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1 and rules relating to schools, boards of education, and school
2 districts;

3 6. A charter school, to the extent possible, shall be subject
4 to the same reporting requirements, financial audits, audit
5 procedures, and audit requirements as a school district. The State
6 Department of Education or State Auditor and Inspector may conduct
7 financial, program, or compliance audits. A charter school shall
8 use the Oklahoma Cost Accounting System to report financial
9 transactions to the sponsoring school district;

10 7. A charter school shall comply with all federal and state
11 laws relating to the education of children with disabilities in the
12 same manner as a school district;

13 8. A charter school shall provide for a governing body for the
14 school which shall be responsible for the policies and operational
15 decisions of the charter school;

16 9. A charter school shall not be used as a method of generating
17 revenue for students who are being home schooled and are not being
18 educated at an organized charter school site;

19 10. A charter school may not charge tuition or fees;

20 11. A charter school shall provide instruction each year for at
21 least the number of days required in Section 1-109 of this title;

22 12. A charter school shall comply with the student suspension
23 requirements provided for in Section 24-101.3 of this title;

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1 13. ~~A~~ Except for a conversion charter school, a charter school
2 shall be considered a school district for purposes of tort liability
3 under The Governmental Tort Claims Act;

4 14. Employees of a charter school may participate as members of
5 the Teachers' Retirement System of Oklahoma in accordance with
6 applicable statutes and rules if otherwise allowed pursuant to law;

7 15. A charter school may participate in all health and related
8 insurance programs available to the employees of the sponsor of the
9 charter school;

10 16. A charter school shall comply with the Oklahoma Open
11 Meeting Act and the Oklahoma Open Records Act;

12 17. The governing body of a charter school shall be subject to
13 the same conflict of interest requirements as a member of a local
14 school board; and

15 18. No later than September 1 each year, the governing board of
16 each charter school formed pursuant to the Oklahoma Charter Schools
17 Act, except for the governing board of a conversion charter school,
18 shall prepare a statement of actual income and expenditures for the
19 charter school for the fiscal year that ended on the preceding June
20 30, in a manner compliant with Section 5-135 of this title. The
21 statement of expenditures shall include functional categories as
22 defined in rules adopted by the State Board of Education to
23 implement the Oklahoma Cost Accounting System pursuant to Section 5-
24 145 of this title. Charter schools shall not be permitted to submit

1 estimates of expenditures or prorated amounts to fulfill the
2 requirements of this paragraph.

3 B. The charter of a charter school shall include a description
4 of the personnel policies, personnel qualifications, and method of
5 school governance, and the specific role and duties of the sponsor
6 of the charter school.

7 C. The charter of a charter school may be amended at the
8 request of the governing body of the charter school and upon the
9 approval of the sponsor.

10 D. A Except for a conversion charter school, a charter school
11 may enter into contracts and sue and be sued.

12 E. ~~The~~ Except for a board of education of a school district
13 which is the governing body of a conversion charter school, the
14 governing body of a charter school may not levy taxes or issue
15 bonds.

16 F. ~~The~~ Except for the charter of a conversion charter school,
17 the charter of a charter school shall include a provision specifying
18 the method or methods to be employed for disposing of real and
19 personal property acquired by the charter school upon expiration or
20 termination of the charter or failure of the charter school to
21 continue operations. Except as otherwise provided, any real or
22 personal property purchased with state or local funds shall be
23 retained by the sponsoring school district. If a charter school
24 that was previously sponsored by the board of education of a school

1 district continues operation within the school district under a new
2 charter sponsored by an entity authorized pursuant to Section 3-132
3 of this title, the charter school may retain any personal property
4 purchased with state or local funds for use in the operation of the
5 charter school until termination of the new charter or failure of
6 the charter school to continue operations.

7 SECTION 5. AMENDATORY 70 O.S. 2011, Section 3-137, as
8 amended by Section 4, Chapter 170, O.S.L. 2015 (70 O.S. Supp. 2015,
9 Section 3-137), is amended to read as follows:

10 Section 3-137. A. An approved contract for a charter school
11 shall be effective for five (5) years from the first day of
12 operation. A charter contract may be renewed for successive five-
13 year terms of duration, although the sponsor may vary the term based
14 on the performance, demonstrated capacities and particular
15 circumstances of each charter school. A sponsor may grant renewal
16 with specific conditions for necessary improvements to a charter
17 school.

18 B. Prior to the beginning of the fourth year of operation of a
19 charter school, the sponsor shall issue a charter school performance
20 report and charter renewal application guidance to the school and
21 the charter school board. The performance report shall summarize
22 the performance record to date of the charter school, based on the
23 data required by the Oklahoma Charter Schools Act and the charter
24 contract and taking into consideration the percentage of at-risk

1 students enrolled in the school, and shall provide notice of any
2 weaknesses or concerns perceived by the sponsor concerning the
3 charter school that may jeopardize its position in seeking renewal
4 if not timely rectified. The charter school shall have forty-five
5 (45) days to respond to the performance report and submit any
6 corrections or clarifications for the report.

7 C. 1. Prior to the beginning of the fifth year of operation,
8 the charter school may apply for renewal of the contract with the
9 sponsor. The renewal application guidance shall, at a minimum,
10 provide an opportunity for the charter school to:

- 11 a. present additional evidence, beyond the data contained
12 in the performance report, supporting its case for
13 charter renewal,
- 14 b. describe improvements undertaken or planned for the
15 school, and
- 16 c. detail the plan for the next charter term for the
17 school.

18 2. The renewal application guidance shall include or refer
19 explicitly to the criteria that will guide the renewal decisions of
20 the sponsor, which shall be based on the performance framework set
21 forth in the charter contract and consistent with the Oklahoma
22 Charter Schools Act.

23 D. The sponsor may deny the request for renewal if it
24 determines the charter school has failed to complete the obligations

1 of the contract or comply with the provisions of the Oklahoma
2 Charter Schools Act. A sponsor shall give written notice of its
3 intent to deny the request for renewal at least eight (8) months
4 prior to expiration of the contract. In making charter renewal
5 decisions, a sponsor shall:

6 1. Ground decisions on evidence of the performance of the
7 school over the term of the charter contract in accordance with the
8 performance framework set forth in the charter contract and shall
9 take into consideration the percentage of at-risk students enrolled
10 in the school;

11 2. Grant renewal to schools that have achieved the standards,
12 targets and performance expectations as stated in the charter
13 contract and are organizationally and fiscally viable and have been
14 faithful to the terms of the contract and applicable law;

15 3. Ensure that data used in making renewal decisions are
16 available to the school and the public; and

17 4. Provide a public report summarizing the evidence used as the
18 basis for each decision.

19 E. If a sponsor denies a request for renewal, the governing
20 board of the sponsor may, if requested by the charter school,
21 proceed to binding arbitration as provided for in subsection G H of
22 Section 3-134 of this title.

23 F. A sponsor may terminate a contract during the term of the
24 contract for failure to meet the requirements for student

1 performance contained in the contract, failure to meet the standards
2 of fiscal management, violations of the law, or other good cause.
3 The sponsor shall give at least ninety (90) days' written notice to
4 the governing board prior to terminating the contract. The
5 governing board may request, in writing, an informal hearing before
6 the sponsor within fourteen (14) days of receiving notice. The
7 sponsor shall conduct an informal hearing before taking action. If
8 a sponsor decides to terminate a contract, the governing board may,
9 if requested by the charter school, proceed to binding arbitration
10 as provided for in subsection G H of Section 3-134 of this title.

11 G. The provisions of subsections A through F and I through N of
12 this section shall not apply to a conversion charter school. A
13 conversion charter school shall be effective for five (5) years from
14 the first day of operation or for less than five (5) years if
15 determined by a vote of the board of education of the school
16 district. A board of education shall not convert a conversion
17 charter school back to a traditional public school during a school
18 term. A conversion charter school may continue to operate for
19 successive five-year terms of duration subject to approval by a vote
20 of the board of education of the school district.

21 H. 1. Beginning in the 2016-2017 school year, the State Board
22 of Education shall identify charter schools including conversion
23 charter schools in the state that are ranked in the bottom five
24

1 percent (5%) of all public schools as determined pursuant to Section
2 1210.545 of this title.

3 2. At the time of its charter renewal, based on an average of
4 the current year and the two (2) prior operating years, a sponsor of
5 a charter school or the governing body of a conversion charter
6 school may close a charter school site identified as being among the
7 bottom five percent (5%) of public schools in the state. The
8 average of the current year and two (2) prior operating years shall
9 be calculated by using the percentage ranking for each year divided
10 by three, as determined by this subsection.

11 3. If there is a change to the calculation described in Section
12 1210.545 of this title that results in a charter school site that
13 was not ranked in the bottom five percent (5%) being ranked in the
14 bottom five percent (5%), then the sponsor of a charter school or
15 the governing body of a conversion charter school shall use the
16 higher of the two rankings to calculate the ranking of the charter
17 school site.

18 4. In the event that a sponsor of a charter school or the
19 governing body of a conversion charter school fails to close a
20 charter school site consistent with this subsection, the sponsor
21 shall appear before the State Board of Education to provide support
22 for its decision. The State Board of Education may, by majority
23 vote, uphold or overturn the decision of the sponsor of a charter
24 school or the governing body of a conversion charter school. If the

1 decision of the sponsor is overturned by the State Board of
2 Education, the Board may implement one of the following actions:

- 3 a. transfer the sponsorship of the charter school
4 identified in this paragraph to another sponsor,
- 5 b. order the closure of the charter school identified in
6 this paragraph at the end of the current school year,
7 or
- 8 c. order the reduction of any administrative fee
9 collected by the sponsor that is applicable to the
10 charter school identified in this paragraph. The
11 reduction shall become effective at the beginning of
12 the month following the month the hearing of the
13 sponsor is held by the State Board of Education.

14 If the decision of the governing body of a conversion charter
15 school is overturned by the State Board of Education, the Board may
16 require the board of education of the school district for the
17 conversion charter school to convert the conversion charter school
18 back to a traditional public school and can prohibit the approval of
19 another conversion within the same school district for a period of
20 not less than five (5) years.

21 5. A charter school that is closed by the State Board of
22 Education pursuant to paragraph 4 of this subsection shall not be
23 granted a charter by any other sponsor.

1 6. The requirements of this subsection shall not apply to a
2 charter school that has been designed by the State Department of
3 Education as implementing an alternative education program
4 throughout the charter school.

5 7. In making a school site closure decision, the State Board of
6 Education shall consider the following:

- 7 a. enrollment of students with special challenges such as
8 drug or alcohol addiction, prior withdrawal from
9 school, prior incarceration or other special
10 circumstances,
- 11 b. high mobility of the student population resulting from
12 the specific purpose of the charter school,
- 13 c. annual improvement in the performance of students
14 enrolled in the charter school compared with the
15 performance of students enrolled in the charter school
16 in the immediately preceding school year, and
- 17 d. whether a majority of students attending the charter
18 school under consideration for closure would likely
19 revert to attending public schools with lower academic
20 achievement, as demonstrated pursuant to Section
21 1210.545 of this title.

22 8. If the State Board of Education has closed or transferred
23 authorization of at least twenty-five percent (25%) of the charter
24 schools chartered by one sponsor pursuant to paragraph 4 of this

1 subsection, the authority of the sponsor to authorize new charter
2 schools may be suspended by the Board until the Board approves the
3 sponsor to authorize new charter schools. A determination under
4 this paragraph to suspend the authority of a sponsor to authorize
5 new charter schools shall identify the deficiencies that, if
6 corrected, will result in the approval of the sponsor to authorize
7 new charter schools.

8 ~~H.~~ I. If a sponsor terminates a contract or the charter school
9 is closed, the closure shall be conducted in accordance with the
10 following protocol:

11 1. Within two (2) calendar weeks of a final closure
12 determination, the sponsor shall meet with the governing board and
13 leadership of the charter school to establish a transition team
14 composed of school staff, applicant staff and others designated by
15 the applicant that will attend to the closure, including the
16 transfer of students, student records and school funds;

17 2. The sponsor and transition team shall communicate regularly
18 and effectively with families of students enrolled in the charter
19 school, as well as with school staff and other stakeholders, to keep
20 them apprised of key information regarding the closure of the school
21 and their options and risks;

22 3. The sponsor and transition team shall ensure that current
23 instruction of students enrolled in the charter school continues per
24 the charter agreement for the remainder of the school year;

1 4. The sponsor and transition team shall ensure that all
2 necessary and prudent notifications are issued to agencies,
3 employees, insurers, contractors, creditors, debtors and management
4 organizations; and

5 5. The governing board of the charter school shall continue to
6 meet as necessary to take actions needed to wind down school
7 operations, manage school finances, allocate resources and
8 facilitate all aspects of closure.

9 ~~I.~~ J. A sponsor shall develop revocation and nonrenewal
10 processes that are consistent with the Oklahoma Charter Schools Act
11 and that:

12 1. Provide the charter school with a timely notification of the
13 prospect of revocation or nonrenewal and of the reasons for possible
14 closure;

15 2. Allow the charter school a reasonable amount of time in
16 which to prepare a response;

17 3. Provide the charter school with an opportunity to submit
18 documents and give testimony in a public hearing challenging the
19 rationale for closure and in support of the continuation of the
20 school at an orderly proceeding held for that purpose and prior to
21 taking any final nonrenewal or revocation decision related to the
22 school;

23 4. Allow the charter school access to representation by counsel
24 to call witnesses on its behalf;

1 5. Permit the recording of the proceedings; and

2 6. After a reasonable period for deliberation, require a final
3 determination be made and conveyed in writing to the charter school.

4 ~~J.~~ K. If a sponsor revokes or does not renew a charter, the
5 sponsor shall clearly state in a resolution the reasons for the
6 revocation or nonrenewal.

7 ~~K.~~ L. 1. Before a sponsor may issue a charter to a charter
8 school governing body that has had its charter terminated or has
9 been informed that its charter will not be renewed by the current
10 sponsor, the sponsor shall request to have the proposal reviewed by
11 the State Board of Education at a hearing. The State Board of
12 Education shall conduct a hearing in which the sponsor shall present
13 information indicating that the proposal of the organizer is
14 substantively different in the areas of deficiency identified by the
15 current sponsor from the current proposal as set forth within the
16 charter with its current sponsor.

17 2. After the State Board of Education conducts a hearing
18 pursuant to this subsection, the Board shall either approve or deny
19 the proposal.

20 3. If the proposal is denied, no sponsor may issue a charter to
21 the charter school governing body.

22 ~~L.~~ M. If a contract is not renewed, the governing board of the
23 charter school may submit an application to a proposed new sponsor
24 as provided for in Section 3-134 of this title.

1 ~~M.~~ N. If a contract is not renewed or is terminated according
2 to this section, a student who attended the charter school may
3 enroll in the resident school district of the student or may apply
4 for a transfer in accordance with Section 8-103 of this title.

5 SECTION 6. AMENDATORY 70 O.S. 2011, Section 3-140, as
6 last amended by Section 5, Chapter 170, O.S.L. 2015 (70 O.S. Supp.
7 2015, Section 3-140), is amended to read as follows:

8 Section 3-140. A. Except for a charter school sponsored by the
9 State Board of Education, a charter school shall enroll those
10 students whose legal residence is within the boundaries of the
11 school district in which the charter school is located and who
12 submit a timely application, or those students who transfer to the
13 district in which the charter school is located in accordance with
14 Section 8-103 or 8-104 of this title, unless the number of
15 applications exceeds the capacity of a program, class, grade level,
16 or building. Students who reside in a school district where a
17 charter school is located shall not be required to obtain a transfer
18 in order to attend a charter school in the school district of
19 residence. If capacity is insufficient to enroll all eligible
20 students, the charter school shall select students through a lottery
21 selection process. Except for a charter school sponsored by the
22 State Board of Education, a charter school shall give enrollment
23 preference to eligible students who reside within the boundaries of
24 the school district in which the charter school is located. Except

1 for a charter school sponsored by the State Board of Education, a
2 charter school created after November 1, 2010, shall give enrollment
3 preference to eligible students who reside within the boundaries of
4 the school district in which the charter school is located and who
5 attend a school site that has been identified as in need of
6 improvement by the State Board of Education pursuant to the
7 Elementary and Secondary Education Act of 1965, as amended or
8 reauthorized. A charter school may limit admission to students
9 within a given age group or grade level. A charter school sponsored
10 by the State Board of Education when the applicant of the charter
11 school is the Office of Juvenile Affairs shall limit admission to
12 youth that are in the custody or supervision of the Office of
13 Juvenile Affairs.

14 B. Except for a charter school sponsored by the State Board of
15 Education, a charter school shall admit students who reside in the
16 attendance area of a school or in a school district that is under a
17 court order of desegregation or that is a party to an agreement with
18 the United States Department of Education Office for Civil Rights
19 directed towards mediating alleged or proven racial discrimination
20 unless notice is received from the resident school district that
21 admission of the student would violate the court order or agreement.

22 C. A charter school may designate a specific geographic area
23 within the school district in which the charter school is located as
24 an academic enterprise zone and may limit admissions to students who

1 reside within that area. An academic enterprise zone shall be a
2 geographic area in which sixty percent (60%) or more of the children
3 who reside in the area qualify for the free or reduced school lunch
4 program.

5 D. Except as provided in subsections B and C of this section, a
6 charter school shall not limit admission based on ethnicity,
7 national origin, gender, income level, disabling condition,
8 proficiency in the English language, measures of achievement,
9 aptitude, or athletic ability.

10 E. A sponsor of a charter school shall not restrict the number
11 of students a charter school may enroll. The capacity of the
12 charter school shall be determined annually by the governing board
13 of the charter school based on the ability of the charter school to
14 facilitate the academic success of the students, to achieve the
15 other objectives specified in the charter contract and to ensure
16 that the student enrollment does not exceed the capacity of its
17 facility or site.

18 F. The provisions of this section shall not apply to conversion
19 charter schools. A conversion charter school shall be required to
20 enroll all students eligible to enroll in the school district in
21 which the conversion charter school is located in the same capacity
22 as traditional public schools in the school district and pursuant to
23 state and federal laws.

24

1 SECTION 7. AMENDATORY 70 O.S. 2011, Section 3-142, as
2 last amended by Section 6, Chapter 170, O.S.L. 2015 (70 O.S. Supp.
3 2015, Section 3-142), is amended to read as follows:

4 Section 3-142. A. For purposes of funding, a charter school
5 sponsored by a board of education of a school district shall be
6 considered a site within the school district in which the charter
7 school is located. The student membership of the charter school
8 shall be considered separate from the student membership of the
9 district in which the charter school is located for the purpose of
10 calculating weighted average daily membership pursuant to Section
11 18-201.1 of this title and State Aid pursuant to Section 18-200.1 of
12 this title. For charter schools sponsored by a board of education
13 of a school district, the sum of the separate calculations for the
14 charter school and the school district shall be used to determine
15 the total State Aid allocation for the district in which the charter
16 school is located. A charter school shall receive from the
17 sponsoring school district, the State Aid allocation and any other
18 state-appropriated revenue generated by its students for the
19 applicable year, less up to five percent (5%) of the State Aid
20 allocation, which may be retained by the school district as a fee
21 for administrative services rendered. For charter schools sponsored
22 by the board of education of a technology center school district, a
23 higher education institution, the State Board of Education, or a
24 federally recognized Indian tribe and for statewide virtual charter

1 schools sponsored by the Statewide Virtual Charter School Board, the
2 State Aid allocation for the charter school shall be distributed by
3 the State Board of Education and not more than five percent (5%) of
4 the State Aid allocation may be charged by the sponsor as a fee for
5 administrative services rendered. The State Board of Education
6 shall determine the policy and procedure for making payments to a
7 charter school. The fee for administrative services as authorized
8 in this subsection shall only be assessed on the State Aid
9 allocation amount and shall not be assessed on any other
10 appropriated amounts.

11 B. 1. The weighted average daily membership for the first year
12 of operation of a charter school shall be determined initially by
13 multiplying the actual enrollment of students as of August 1 by
14 1.333. The charter school shall receive revenue equal to that which
15 would be generated by the estimated weighted average daily
16 membership calculated pursuant to this paragraph. At midyear, the
17 allocation for the charter school shall be adjusted using the first
18 quarter weighted average daily membership for the charter school
19 calculated pursuant to subsection A of this section.

20 2. For the purpose of calculating weighted average daily
21 membership pursuant to Section 18-201.1 of this title and State Aid
22 pursuant to Section 18-200.1 of this title, the weighted average
23 daily membership for the first year of operation and each year
24 thereafter of a full-time virtual charter school shall be determined

1 by multiplying the actual enrollment of students as of August 1 by
2 1.333. The full-time virtual charter school shall receive revenue
3 equal to that which would be generated by the estimated weighted
4 average daily membership calculated pursuant to this paragraph. At
5 midyear, the allocation for the full-time virtual charter school
6 shall be adjusted using the first quarter weighted average daily
7 membership for the virtual charter school calculated pursuant to
8 subsection A of this section.

9 C. A charter school shall be eligible to receive any other aid,
10 grants or revenues allowed to other schools. A charter school
11 sponsored by the board of education of a technology center school
12 district, a higher education institution, the State Board of
13 Education, or a federally recognized Indian tribe shall be
14 considered a local education agency for purposes of funding. A
15 charter school sponsored by a board of education of a school
16 district shall be considered a local education agency for purposes
17 of federal funding.

18 D. A charter school, in addition to the money received from the
19 state, may receive money from any other source. Any unexpended
20 funds may be reserved and used for future purposes. ~~The~~ Except for
21 the governing body of a conversion charter school, the governing
22 body of a charter school shall not levy taxes or issue bonds. If
23 otherwise allowed by law, the governing body of a charter school may
24 enter into private contracts for the purposes of borrowing money

1 from lenders. If the governing body of the charter school borrows
2 money, the charter school shall be solely responsible for repaying
3 the debt, and the state or the sponsor shall not in any way be
4 responsible or obligated to repay the debt.

5 E. Any charter school which chooses to lease property shall be
6 eligible to receive current government lease rates.

7 SECTION 8. AMENDATORY 70 O.S. 2011, Section 5-117, as
8 last amended by Section 1, Chapter 166, O.S.L. 2015 (70 O.S. Supp.
9 2015, Section 5-117), is amended to read as follows:

10 Section 5-117. A. The board of education of each school
11 district shall have power to:

12 1. Elect its own officers; provided that the chair of the board
13 authorized in Section 5-107B of this title shall be elected by the
14 electors of the school district;

15 2. Make rules, not inconsistent with the law or rules of the
16 State Board of Education, governing the board and the school system
17 of the district, including converting a building or grade to a
18 charter school;

19 3. Maintain and operate a complete public school system of such
20 character as the board of education shall deem best suited to the
21 needs of the school district;

22 4. Designate the schools to be attended by the children of the
23 district;

24

1 5. Provide and operate, when deemed advisable, cafeterias or
2 other eating accommodations, thrift banks or other facilities for
3 the teaching and practice of thrift and economy, bookstores, print
4 shops, and vocational and other shops;

5 6. Provide informational material concerning school bond
6 elections and millage elections, including but not limited to all
7 pertinent financial information relative to the bond issue, a
8 statement of revenue sources necessary to retire proposed bonds, a
9 statement of current bonded indebtedness of the school district, and
10 a statement of proposed use of funds to be generated by the proposed
11 bond issue. The informational material shall not contain the words
12 "vote yes" or "vote no" or any similar words or statement any place
13 on such informational material;

14 7. Purchase, construct or rent, and operate and maintain,
15 classrooms, libraries, auditoriums, gymnasiums, stadiums, recreation
16 places and playgrounds, teacherages, school bus garages,
17 laboratories, administration buildings, and other schoolhouses and
18 school buildings, and acquire sites and equipment ~~therefor~~ for the
19 operation of public schools or conversion charter schools;

20 8. a. Insure the school district or its employees against
21 any loss, damage or liability as defined by Sections
22 702 through 708 of Title 36 of the Oklahoma Statutes,
23 or other forms of insurance provided for in Title 36
24 of the Oklahoma Statutes.

1 b. Subject to the restrictions of liability in the
2 Governmental Tort Claims Act:

3 (1) insure the school district against all or any
4 part of any liability it may incur for death,
5 injury or disability of any person, or for damage
6 to property, either real or personal,

7 (2) insure any employee of the school district
8 against all or any part of the employee's
9 liability for injury or damage resulting from an
10 act or omission in the scope of employment, or

11 (3) insure against the expense of defending a claim
12 against the school district or its employee,
13 whether or not liability exists on such claim.

14 c. As used in this subsection, "employee" means any
15 person who has acted in behalf of a school district,
16 whether that person is acting on a permanent or
17 temporary basis with or without being compensated or
18 on a full-time or part-time basis. Employee also
19 includes all elected or appointed officers, members of
20 governing bodies of a school district, and persons
21 appointed, and other persons designated by a school
22 district to act in its behalf.

23 d. The cost or premium of any such insurance is a proper
24 expenditure of the school district.

1 e. Any insurance authorized by law to be purchased,
2 obtained or provided by a school district may be
3 provided by:

4 (1) self-insurance, which may be, but is not required
5 to be, funded by appropriations to establish or
6 maintain reserves for self-insurance purposes.

7 Any self-insurance reserve fund shall be
8 nonfiscal and shall not be considered in
9 computing any levy when the school district makes
10 its annual estimate for needed appropriations,

11 (2) insurance in any insurer authorized to transact
12 insurance in this state,

13 (3) insurance secured in accordance with any other
14 method provided by law, or

15 (4) any combination of insurance authorized by this
16 section.

17 f. Two or more school districts or public agencies, by
18 interlocal agreement made pursuant to the Interlocal
19 Cooperation Act, may provide insurance for any purpose
20 by any one or more of the methods specified in this
21 section. The pooling of self-insured reserves, claims
22 or losses among governments as authorized in this
23 section shall not be construed to be transacting
24 insurance nor otherwise subject to the provisions of

1 the laws of this state regulating insurance or
2 insurance companies, except as to the provisions of
3 Section 607.1 of Title 36 of the Oklahoma Statutes.
4 Two or more school districts may also be insured under
5 a master policy or contract of insurance. Premium
6 costs may be set individually for each school district
7 or apportioned among participating school districts as
8 provided by the master policy or contract;

9 9. Acquire property by condemnation proceedings in the same
10 manner as land is condemned for railroad purposes. School district
11 funds may be used to erect buildings on leased land on which other
12 buildings have been erected prior to April 3, 1969, or on land which
13 is leased from a governmental entity;

14 10. Lease real or personal property to the state or any
15 political subdivision thereof or a not-for-profit entity operating
16 pursuant to Section 868 of Title 18 of the Oklahoma Statutes for
17 nominal cash consideration for so long as the use of the property by
18 the lessee substantially benefits, in whole or in part, the same
19 public served by the school district;

20 11. Dispose of personal or real property no longer needed by
21 the district by sale, exchange, lease, lease-purchase, sale and
22 partial lease back, or otherwise. Real property shall be conveyed
23 pursuant to a public sale, public bid, or private sale; provided
24 however, unless otherwise prohibited by law, the board of education

1 of a consolidated or annexed school district or any other school
2 district may convey real property to a local political subdivision
3 or to an educational institution within The Oklahoma State System of
4 Higher Education without consideration. Prior to the sale of any
5 real property, the board of education shall have the real property
6 appraised. The appraisal shall be confidential until the real
7 property is sold. When the real property is sold, the board of
8 education shall make the appraisal available for public inspection.
9 Prior to the conveyance of any real property by private sale, the
10 board of education shall have offered the real property for sale by
11 public sale or public bid. Any conveyance of real property by
12 private sale to a nonprofit organization, association, or
13 corporation to be used for public purposes, unless for exchange,
14 shall contain a reversionary clause which returns the real property
15 to the board of education upon the cessation of the use without
16 profit or for public purposes by the purchaser or the assigns of the
17 purchaser;

18 12. Purchase necessary property, equipment, furniture, and
19 supplies necessary to maintain and operate an adequate school
20 system;

21 13. Incur all expenses, within the limitations provided for by
22 law, necessary to perform all powers granted by the provisions of
23 this section;

24

1 14. Contract with and fix the duties and compensation of
2 physicians, dentists, optometrists, nurses, attorneys,
3 superintendents, principals, teachers, bus drivers, janitors, and
4 other necessary employees of the district;

5 15. Establish a written policy for reimbursement of necessary
6 travel expenses of employees and members of the board. The policy
7 may include in-district travel from the site of employment
8 assignment which is necessary in the performance of employment
9 duties. The written policy shall specify procedures, contain
10 documentation requirements, and may include payment of meal expenses
11 during authorized travel on a per diem allowance basis rather than
12 itemized documentation;

13 16. Pay necessary travel expenses and other related expenses of
14 prospective employees for sponsored visits to the school district
15 pursuant to a written policy specifying procedures containing
16 documentation requirements equal to or greater than the requirements
17 specified by law for state employees in the State Travel
18 Reimbursement Act;

19 17. Provide for employees' leaves of absence without pay;

20 18. Exercise sole control over all the schools and property of
21 the district, subject to other provisions of the Oklahoma School
22 Code;

23 19. Allow district-owned school buses to be used for
24 transportation of students from other districts or educational

1 institutions while within the district on educational tours. This
2 shall not restrict the authority of the board to authorize any other
3 use of such buses which may now be permitted by law or rule of the
4 State Board of Education;

5 20. Enter into contractual agreements with the board of
6 trustees of a multicounty library system, as defined in Section 4-
7 103 of Title 65 of the Oklahoma Statutes, a city-county library
8 commission, as defined in Section 152 of Title 65 of the Oklahoma
9 Statutes, or a rural single county library system, as defined in
10 Section 1-104 of Title 65 of the Oklahoma Statutes, on such terms as
11 may be mutually agreed, except no district board of education may
12 enter into any agreement under which the library services for the
13 school would be provided at any site other than the school site or
14 which would result in library services that do not meet
15 accreditation standards as required by law or rule;

16 21. Perform all functions necessary to the administration of a
17 school district in Oklahoma as specified in the Oklahoma School
18 Code, and in addition thereto, those powers necessarily implied but
19 not delegated by law to any other agency or official;

20 22. Prepare and distribute at the expense of the school
21 district any and all material which has the purpose of informing the
22 public about district activities;

23 23. Solicit and accept any gift, grant, or donation of money or
24 property for the use of the school district. Any gift, grant, or

1 donation of money may be deposited in the general fund or building
2 fund of the school district; and

3 24. Pay necessary meal and lodging expenses of school district
4 students and sponsors involved in authorized school-sponsored
5 cocurricular activities. The board of education shall establish a
6 written policy for reimbursement of necessary meal and lodging
7 expenses of school district students and sponsors. The written
8 policy shall specify procedures, contain documentation requirements,
9 and designate the funds from which reimbursement may be made.
10 Reimbursement may be made from the General Fund.

11 B. The board of education of any school district may rent real
12 and personal property, if such items are necessary for the operation
13 of the school, and pay the rental charges for the usage during any
14 fiscal year, or portion thereof, out of appropriations made and
15 approved for current expense purposes during the fiscal year. Any
16 rental contract extending beyond June 30 of the fiscal year shall be
17 void unless it contains provisions for mutual ratification of
18 renewal pursuant to the conditions provided for in this subsection.
19 It is the intent of this subsection to authorize boards of education
20 to enter into lease contracts but not to incur any obligation
21 against the school district in excess of the income and revenue
22 provided for such purposes for the fiscal year in which the lease
23 contract is operative. Any lease or lease-purchase agreement
24 entered into by any board of education shall state the purchase

1 price of real or personal property so leased. The lease or lease-
2 purchase shall not be extended so as to cause payment of more than
3 the original purchase price of the real or personal property, plus
4 interest not to exceed the legal rate. When the purchase price plus
5 interest has been paid, the property shall belong to the lessee and
6 the lessor shall deliver a deed or bill of sale to the property to
7 the lessee. When any real or personal property has been leased or
8 rented during any fiscal year pursuant to the provisions of any
9 contract which permits continuance of the rental for the remainder
10 of the fiscal year, the renting or leasing of the property shall be
11 continued for the remainder of the fiscal year unless the board of
12 education renting or leasing the same certifies by proper resolution
13 entered in the minutes of the board of education that the
14 continuance of the rental is unnecessary and contrary to the public
15 interest. Any lease-purchase agreement entered into shall include
16 the right of a school district to acquire buildings, equipment or
17 other facilities or discrete components thereof or improve school
18 sites through a lease-purchase agreement. A school district may use
19 proceeds derived from the sale of bonds as authorized by Section 26
20 of Article X of the Oklahoma Constitution to make lease-purchase
21 payments, including interest, under a lease-purchase agreement. For
22 purposes of this subsection, the term "acquired" as used in Section
23 26 of Article X of the Oklahoma Constitution shall mean the
24

1 possession, control, or power to dispose of personal or real
2 property.

3 C. The boards of education of two or more school districts may
4 enter into cooperative agreements and maintain joint programs
5 including, but not limited to, courses of instruction for
6 handicapped children, courses of instruction in music and other
7 subjects, practical instruction for trades and vocations, practical
8 instruction in driver training courses, and health programs
9 including visual care by persons legally licensed for such purpose,
10 without favoritism as to either profession. The revenues necessary
11 to operate a joint program approved in cooperative agreements,
12 whether from federal, state or local sources, including the
13 individual contributions of participating school districts, shall be
14 deposited into a fund separate from all other appropriated funds.
15 The beginning fund balance each year, combined with all actual
16 revenues, including collected and estimated revenues, must be
17 appropriated before being expended. Purchase orders shall be issued
18 against available appropriations and, once goods or services have
19 been received, either payable or nonpayable warrants shall be issued
20 in payment of all purchase orders. The fund shall be reported as a
21 separate appropriated fund in all the financial reports of the
22 school district which is chosen by the other school districts to
23 keep the accounting records of the joint program.

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1 D. The boards of education of two or more school districts may
2 enter into a mutual contract or separate contracts with a
3 superintendent, administrator, or teacher or with a person to
4 provide support services, to serve as superintendent, administrator,
5 or teacher, as appropriately qualified, or to provide support
6 services, for each contracting district upon such terms and
7 conditions as the parties may agree. Nothing in this act shall be
8 construed to authorize or require annexation or consolidation of any
9 school districts or the closing of any school site except pursuant
10 to law as set forth in Section 7-101 et seq. of this title.

11 E. Any school district may operate or maintain a school or
12 schools on any military reservation which is within the boundaries
13 of the school district or which is adjacent to the school district,
14 and provide the instruction in the school or schools to children of
15 personnel on the military reservation and, in doing so, shall
16 conform to all federal laws and requirements.

17 F. The board of education of each school district shall adopt
18 and maintain on file in the office of the superintendent of schools
19 appropriate personnel policy and sick leave guide. The guide shall
20 be made available to the public.

21 G. The board of education of any school district with an
22 average daily membership of thirty thousand (30,000) or more and all
23 or part of which school district is located in a county having more
24 than five hundred thousand (500,000) population according to the

1 latest Federal Decennial Census may contract with a public or
2 private nonsectarian entity for that entity to provide educational
3 and administrative services for the school district. The
4 educational services provided by a contracting entity may include
5 but are not limited to the delivery of instructional service in core
6 and noncore academic subjects to the students enrolled in the school
7 district at one or more school sites or parts of sites within the
8 district pursuant to the terms of an educational services contract.
9 All educational service providers and their employees and
10 representatives and all educational and administrative services
11 provided under an educational services contract shall be exempt from
12 all statutes and rules relating to schools, boards of education and
13 school districts to the same extent that a charter school is exempt
14 under the Oklahoma Charter Schools Act. For all purposes, including
15 but not limited to attendance, funding from all sources and
16 accountability, all students who are provided services by a
17 contracting entity pursuant to an educational services contract
18 shall at all times be and remain students of the school district.

19 SECTION 9. This act shall become effective July 1, 2016.

20 SECTION 10. It being immediately necessary for the preservation
21 of the public peace, health and safety, an emergency is hereby
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1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

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