

IC 20-24

ARTICLE 24. CHARTER SCHOOLS

IC 20-24-1

Chapter 1. Definitions

IC 20-24-1-1

Applicability

Sec. 1. The definitions in this chapter apply throughout this article.
As added by P.L.1-2005, SEC.8.

IC 20-24-1-2

"ADM of the previous year"

Sec. 2. "ADM of the previous year" has the meaning set forth in IC 20-43-1-7.
As added by P.L.1-2005, SEC.8. Amended by P.L.2-2006, SEC.103.

IC 20-24-1-2.3

"Adult high school"

Sec. 2.3. "Adult high school" refers to a charter school that has a majority of students enrolled with the school that:

- (1) belong to a graduation cohort that has already graduated; or
- (2) are over the age of eighteen (18) years of age;

at the time the student was first enrolled at the school.
As added by P.L.47-2014, SEC.1.

IC 20-24-1-2.5

"Authorizer"

Sec. 2.5. "Authorizer" means, for a charter school, one (1) of the following:

- (1) A governing body.
- (2) A state educational institution that offers a four (4) year baccalaureate degree.
- (3) The executive (as defined in IC 36-1-2-5) of a consolidated city.
- (4) The charter board.
- (5) A nonprofit college or university that provides a four (4) year educational program for which it awards a baccalaureate or more advanced degree, including the following:

Anderson University
Bethel College
Butler University
Calumet College of St. Joseph
DePauw University
Earlham College
Franklin College
Goshen College
Grace College
Hanover College
Holy Cross College

Huntington University
Indiana Tech
Indiana Wesleyan University
Manchester College
Marian University
Martin University
Oakland City University
Rose-Hulman Institute of Technology
Saint Joseph's College
Saint Mary-of-the-Woods College
Saint Mary's College
Taylor University
Trine University
University of Evansville
University of Indianapolis
University of Notre Dame
University of Saint Francis
Valparaiso University
Wabash College.

As added by P.L.280-2013, SEC.5.

IC 20-24-1-3

"Charter"

Sec. 3. "Charter" means a contract between an organizer and an authorizer for the establishment of a charter school.

As added by P.L.1-2005, SEC.8. Amended by P.L.280-2013, SEC.6.

IC 20-24-1-3.5

"Charter board"

Sec. 3.5. "Charter board" refers to the Indiana charter school board established under IC 20-24-2.1.

As added by P.L.91-2011, SEC.3.

IC 20-24-1-4

"Charter school"

Sec. 4. "Charter school" means a public elementary school or secondary school established under this article that:

- (1) is nonsectarian and nonreligious; and
- (2) operates under a charter.

As added by P.L.1-2005, SEC.8.

IC 20-24-1-5

"Conversion charter school"

Sec. 5. "Conversion charter school" means a charter school established under IC 20-24-11 by the conversion of an existing school into a charter school. The term includes a new school to which students from other schools in the school corporation are assigned or transferred.

As added by P.L.1-2005, SEC.8.

IC 20-24-1-6**"Current ADM"**

Sec. 6. "Current ADM" has the meaning set forth in IC 20-43-1-10.

As added by P.L.1-2005, SEC.8. Amended by P.L.2-2006, SEC.104.

IC 20-24-1-6.1**"Education service provider"**

Sec. 6.1. "Education service provider" means a for profit education management organization, nonprofit charter management organization, school design provider, or any other partner entity with which a charter school intends to contract for educational design, implementation, or comprehensive management.

As added by P.L.280-2013, SEC.8.

IC 20-24-1-6.2**"Fund"**

Sec. 6.2. "Fund", for purposes of IC 20-24-12, refers to the charter school facilities assistance fund.

As added by P.L.91-2011, SEC.4.

IC 20-24-1-7**"Organizer"**

Sec. 7. "Organizer" means a group or an entity that:

- (1) has been determined by the Internal Revenue Service to be operating under nonprofit status or has applied for such determination; and
- (2) enters into a contract under this article to operate a charter school.

As added by P.L.1-2005, SEC.8.

IC 20-24-1-7.5**"Program"**

Sec. 7.5. "Program", for purposes of IC 20-24-12, refers to the charter school facilities assistance program under IC 20-24-12.

As added by P.L.91-2011, SEC.5.

IC 20-24-1-8**"Proposal"**

Sec. 8. "Proposal" refers to a proposal from an organizer to establish a charter school.

As added by P.L.1-2005, SEC.8.

IC 20-24-1-9**Repealed**

(Repealed by P.L.280-2013, SEC.7.)

IC 20-24-2

Chapter 2. Charter Schools Generally

IC 20-24-2-1

Purposes of charter schools

Sec. 1. A charter school may be established under this article to provide innovative and autonomous programs that do the following:

- (1) Serve the different learning styles and needs of public school students.
- (2) Offer public school students appropriate and innovative choices.
- (3) Provide varied opportunities for professional educators.
- (4) Allow public schools freedom and flexibility in exchange for exceptional levels of accountability.
- (5) Provide parents, students, community members, and local entities with an expanded opportunity for involvement in the public school system.

As added by P.L.1-2005, SEC.8.

IC 20-24-2-2

Discrimination prohibited

Sec. 2. A charter school is subject to all federal and state laws and constitutional provisions that prohibit discrimination on the basis of the following:

- (1) Disability.
- (2) Race.
- (3) Color.
- (4) Gender.
- (5) National origin.
- (6) Religion.
- (7) Ancestry.

As added by P.L.1-2005, SEC.8.

IC 20-24-2.1

Chapter 2.1. Indiana Charter School Board

IC 20-24-2.1-1

Establishment; membership

Sec. 1. (a) The Indiana charter school board is established for the purpose of authorizing charter schools throughout Indiana.

(b) The charter board is a statewide charter school authorizer composed of the following seven (7) members appointed to four (4) year terms:

(1) Two (2) members, who may not be members of the same political party, appointed by the governor.

(2) One member who has previous experience with or on behalf of charter schools appointed by the state superintendent.

(3) Four (4) members, who may not be legislators, appointed as follows:

(A) One (1) member appointed by the president pro tempore of the senate.

(B) One (1) member appointed by the minority leader of the senate.

(C) One (1) member appointed by the speaker of the house of representatives.

(D) One (1) member appointed by the minority leader of the house of representatives.

A member appointed under this subsection may not be removed by the member's appointing authority without cause before the end of the full four (4) year term.

(c) The governor shall appoint the chairperson of the charter board.

(d) A majority of the members appointed to the charter board constitutes a quorum. The affirmative votes of a majority of the voting members appointed to the charter board are required for the charter board to take action.

(e) Each member of the charter board who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(f) Members appointed to the charter board must collectively possess strong experience and expertise in:

(1) public and nonprofit governance;

(2) management;

(3) finance;

(4) public school leadership;

(5) higher education;

(6) school assessments, curriculum, and instruction; and

(7) public education law.

As added by P.L.91-2011, SEC.7. Amended by P.L.280-2013, SEC.9.

IC 20-24-2.1-2

Duties

Sec. 2. The charter board, with assistance from the department, shall:

- (1) establish a process to:
 - (A) review a proposal to establish a charter school under IC 20-24-3-4;
 - (B) make a decision on the proposal as required under IC 20-24-3-9; and
 - (C) monitor charter schools authorized by the charter board; and
- (2) publish guidelines concerning the review process described in subdivision (1);

not later than December 31, 2011.

As added by P.L.91-2011, SEC.7. Amended by P.L.280-2013, SEC.10.

IC 20-24-2.1-3

Staff

Sec. 3. The department shall provide staff to carry out the duties of the charter board under this chapter until the time when the charter board begins receiving administrative fees pursuant to IC 20-24-7-4(e). At that time, the charter board may hire staff to carry out the duties of the charter board under this chapter.

As added by P.L.91-2011, SEC.7.

IC 20-24-2.1-4

Funding

Sec. 4. Funding for the charter board consists of administrative fees collected under IC 20-24-7-4.

As added by P.L.91-2011, SEC.7.

IC 20-24-2.1-5

Repealed

(Repealed by P.L.47-2014, SEC.2.)

IC 20-24-2.2

Chapter 2.2. Monitoring and Accountability of Sponsors

IC 20-24-2.2-1

Information on department Internet web site

Sec. 1. The department shall establish a charter school page on the department's Internet web site that includes information on the following:

- (1) All approved authorizers, including the authorizers' processes for the following:
 - (A) Monitoring approved schools at regular intervals.
 - (B) Establishing minimum standards for renewing a charter or not renewing a charter.
 - (C) Processes and standards for school closure, including the transfer of academic records to other schools and postsecondary educational institutions.
- (2) All pending applications for a charter.
- (3) All approved applications for a charter.
- (4) All rejected applications for a charter.
- (5) The authorizer's annual report as required under IC 20-24-9.

As added by P.L.91-2011, SEC.8. Amended by P.L.280-2013, SEC.11.

IC 20-24-2.2-1.5

Authorizer; adoption of standards

Sec. 1.5. All approved authorizers shall adopt standards of quality charter school authorizing, as defined by a nationally recognized organization with expertise in charter school authorizing.

As added by P.L.280-2013, SEC.12.

IC 20-24-2.2-2

Minimum standards for charter renewal

Sec. 2. The minimum standards for renewal and the standards to avoid closure imposed by authorizers on the charter school in the charter school agreement must include a requirement that the charter school not remain in the lowest category or designation of school improvement, including any alternative accountability category or designation, in the third year after initial placement in the lowest category or designation established under IC 20-31-8-4.

As added by P.L.91-2011, SEC.8. Amended by P.L.280-2013, SEC.13.

IC 20-24-2.2-3

Hearing concerning charter school that does not meet minimum standards; consequences

Sec. 3. (a) After giving at least thirty (30) days notice, the state board may require an authorizer to appear at a hearing conducted by the state board if the authorizer has renewed the charter of or failed to close a charter school that does not meet the minimum standards in the charter agreement as provided in section 2 of this chapter, as

posted on the department's Internet web site.

(b) After the hearing, the state board may implement one (1) or more of the following actions unless the state board finds sufficient justification for the charter school's performance under the state school accountability system:

- (1) Transfer the authorization of the charter school identified in subsection (a) to another authorizer.
- (2) Order the closure of the charter school identified in subsection (a) at the end of the current school year.
- (3) Order the reduction of any administrative fee collected under IC 20-24-7-4 that is applicable to the charter school identified in subsection (a). The reduction must become effective at the beginning of the month following the month of the authorizer's hearing before the state board.

A charter school that is closed by the state board under this section may not be granted a charter by any other authorizer.

(c) In determining whether to impose consequences under subsection (b), the state board must consider the following:

- (1) Enrollment of students with special challenges such as drug or alcohol addiction, prior withdrawal from school, prior incarceration, or other special circumstances.
- (2) High mobility of the student population resulting from the specific purpose of the charter school.
- (3) Annual improvement in the performance of students enrolled in the charter school, as measured by IC 20-31-8-1, compared with the performance of students enrolled in the charter school in the immediately preceding school year.

As added by P.L.91-2011, SEC.8. Amended by P.L.6-2012, SEC.128; P.L.280-2013, SEC.14.

IC 20-24-2.2-4

Suspension of authority to authorize new schools

Sec. 4. If the state board has closed or transferred authorization of at least twenty-five percent (25%) of the charter schools chartered by one (1) authorizer under section 3 of this chapter, the authorizer's authority to authorize new charter schools may be suspended by the state board until the state board approves the authorizer to authorize new charter schools. A determination under this section to suspend an authorizer's authority to authorize new charter schools must identify the deficiencies that, if corrected, will result in the approval of the authorizer to authorize new charter schools.

As added by P.L.91-2011, SEC.8. Amended by P.L.280-2013, SEC.15.

IC 20-24-2.2-5

Education records; provision of summary; uses

Sec. 5. (a) The purpose of this section is to establish a cooperative relationship:

- (1) between the department and an authorizer; and
- (2) that fosters improved decision making related to charter

schools authorized by the authorizer.

(b) As used in this section, "covered records" refers to the following:

(1) Education records (as defined in 20 U.S.C. 1232g(a)(4), as in effect January 1, 2013) of students who enrolled in a charter school authorized by an authorizer that are in the possession of the department or the state board.

(2) Records in the possession of the department or the state board that relate to the evaluation of the performance of a charter school authorized by an authorizer or students who are enrolled in a charter school authorized by an authorizer.

(3) Records in the possession of the department or the state board that relate to the evaluation of the performance of certified employees employed by a charter school authorized by an authorizer.

(4) Records in the possession of the department or the state board related to the evaluation of the performance of an authorizer.

(c) Notwithstanding IC 5-14-3 or any other law, the department shall provide, without charge, an authorizer with either:

(1) electronic access to; or

(2) written copies of;

covered records, as requested by the authorizer, that relate to a charter school authorized by the authorizer or to the students or certified employees of the charter school. The department shall provide the covered records on a schedule determined by the authorizer.

(d) The department shall provide, without charge, an authorizer with a summary of the covered records that relate to a charter school authorized by the authorizer or to the students or certified employees of the charter school. The department shall provide the summary described in this subsection to the authorizer at least once each month. The authorizer may receive either paper copies of the summary or copies of the summary transmitted electronically, at the option of the authorizer. The summary must be sufficiently detailed to identify each category or collection of covered records. The department and the authorizer shall consult one another as necessary to carry out this section.

(e) An authorizer may use covered records received under this section only to:

(1) administer a charter authorization program;

(2) monitor and evaluate compliance with state standards;

(3) identify educational weaknesses in charter school programs;

or

(4) improve charter school performance.

(f) An authorizer shall protect covered records received by the authorizer in a manner that will not permit the personal identification of students and their parents by persons other than officials of the authorizer who are directly involved in the authorization program or involved with studies related to charter schools authorized by the authorizer. An authorizer shall destroy personally identifiable data

when the information is no longer needed for purposes of audit, evaluation, and enforcement of state and federal requirements related to the charter schools authorized by the authorizer.

As added by P.L.280-2013, SEC.16.

IC 20-24-2.2-6

Revocation of authorizer's authority to function; charter school approval by new authorizer

Sec. 6. (a) If the deficiencies identified under section 3 of this chapter are not corrected within two (2) years after the date the state board suspends the authorizer's authority to authorize new charter schools in a final order under section 4 of this chapter, the state board, following an affirmative vote of two-thirds (2/3) of the members, may revoke the authorizer's authority to function as an authorizer. The state board shall take all necessary steps to decommission the authorizer, including overseeing the orderly winding up of authorization activities or responsibilities, and ensuring the transfer of any charter school records or administrative fees due under IC 20-24-7-4 in the authorizer's custody.

(b) Charter schools authorized by an authorizer that has been decommissioned under subsection (a) must apply to be approved by another authorizer within one hundred fifty (150) days after the date the state board revokes the authorizer's authority to function as an authorizer, regardless of whether the state board has begun the process of winding up authorization activities of the authorizer. A charter school that is not approved under this subsection must close at the end of the charter school's current school year containing the date in which the charter school's application under this subsection is disapproved. A charter school that is closed by the state board under section 3 of this chapter may not be approved by another authorizer under this subsection.

As added by P.L.280-2013, SEC.17.

IC 20-24-2.2-7

Relinquishment of authorizer status

Sec. 7. An entity may relinquish its authorizer status by providing the state board a written statement describing the authorizer's intention not to be considered an authorizer and the reasons why the authorizer wishes to relinquish its authorizer status. The written statement must reflect the intention of the authorizer's governing body. The state board shall review and act on the authorizer's written statement and shall take all steps necessary to decommission the authorizer, including overseeing the orderly winding up of authorization activities, and ensuring the transfer of any charter school records or administrative fee balances due under IC 20-24-7-4 in the authorizer's custody.

As added by P.L.280-2013, SEC.18.

IC 20-24-2.3

Chapter 2.3. Indianapolis Charter School Board

IC 20-24-2.3-1

Application

Sec. 1. This chapter applies only to an authorizer that is the executive of a consolidated city.

As added by P.L.280-2013, SEC.19.

IC 20-24-2.3-2

"Executive"

Sec. 2. As used in this chapter, "executive" has the meaning set forth in IC 36-1-2-5(3).

As added by P.L.280-2013, SEC.19. Amended by P.L.77-2014, SEC.7.

IC 20-24-2.3-3

Establishment of board

Sec. 3. (a) The Indianapolis charter school board is established.

(b) The Indianapolis charter school board is composed of the following nine (9) members appointed to four (4) year terms:

(1) Six (6) members are appointed by the executive.

(2) Three (3) members are appointed by the president of the city-county council for the consolidated city.

(c) The executive shall appoint the chairperson of the Indianapolis charter school board.

(d) A majority of the members appointed to the Indianapolis charter school board constitutes a quorum. The affirmative votes of a majority of the voting members appointed to the Indianapolis charter school board are required for the Indianapolis charter school board to take action.

As added by P.L.280-2013, SEC.19.

IC 20-24-2.3-4

Duties of board

Sec. 4. The Indianapolis charter school board, with assistance from the executive's office, shall establish a process to:

(1) review a proposal to establish a charter school under IC 20-24-3-4; and

(2) make a decision on the proposal and communicate the Indianapolis charter school board's decision to the executive's office with respect to the Indianapolis charter school board's decision to accept or reject the proposal;

and the executive shall notify an organizer of the Indianapolis charter school board's decision as required under IC 20-24-3-9.

As added by P.L.280-2013, SEC.19.

IC 20-24-2.3-5

Staffing

Sec. 5. The executive's office shall provide staff to carry out the

duties of the Indianapolis charter school board under this chapter.
As added by P.L.280-2013, SEC.19.

IC 20-24-3

Chapter 3. Establishment of Charter Schools

IC 20-24-3-1

Authorizer may grant charter

Sec. 1. An authorizer may grant a charter to an organizer to operate a charter school under this article.

As added by P.L.1-2005, SEC.8. Amended by P.L.280-2013, SEC.20.

IC 20-24-3-2

Authorizer may not grant charter

Sec. 2. An authorizer may not grant a charter to a for-profit organizer.

As added by P.L.1-2005, SEC.8. Amended by P.L.280-2013, SEC.21.

IC 20-24-3-2.5

Contracting with education service providers

Sec. 2.5. If a proposed charter school intends to contract with an education service provider for substantial educational services, management services, or both educational services and management services, the request for proposals shall require the applicants to provide the following:

- (1) Evidence of the education service provider's success in serving student populations similar to the targeted populations, including demonstrated academic achievement as well as successful management of nonacademic school functions, if applicable.
- (2) A term sheet setting forth the:
 - (A) proposed duration of the service contract;
 - (B) roles and responsibilities of the organizer, the school staff, and the education service provider;
 - (C) performance evaluation measures and timelines;
 - (D) compensation structure, including clear identification of all fees to be paid to the education service provider;
 - (E) methods of contract oversight and enforcement;
 - (F) investment disclosure; and
 - (G) conditions for renewal and termination of the contract.
- (3) A disclosure statement to explain any existing or potential conflicts of interest between the organizer and the proposed education service provider or any affiliated business entities.
- (4) Assurance that the organizer will be structurally independent of the education service provider and shall set and approve school policies. The assurance must also provide that the terms of the service contract must be reached by the organizer and the education service provider through arms length negotiations in which the organizer must be represented by legal counsel. The legal counsel may not also represent the education service provider.

As added by P.L.280-2013, SEC.22.

IC 20-24-3-3

Organizer's dissolution; disposition of remaining assets and funds

Sec. 3. The organizer's constitution, charter, articles, or bylaws must contain a clause providing that upon dissolution:

- (1) the remaining assets of the charter school shall be distributed first to satisfy outstanding payroll obligations for employees of the charter school, then to creditors of the charter school, then to any outstanding debt to the common school fund; and
- (2) remaining funds received from the department shall be returned to the department not more than thirty (30) days after dissolution.

If the assets of the charter school are insufficient to pay all parties to whom the charter school owes compensation under subdivision (1), the priority of the distribution of assets may be determined by a court. *As added by P.L.1-2005, SEC.8. Amended by P.L.280-2013, SEC.23.*

IC 20-24-3-4

Proposal to establish charter school; required contents

Sec. 4. (a) An organizer may submit to the authorizer a proposal to establish a charter school.

- (b) A proposal must contain at least the following information:
- (1) Identification of the organizer.
 - (2) A description of the organizer's organizational structure and governance plan.
 - (3) The following information for the proposed charter school:
 - (A) Name.
 - (B) Purposes.
 - (C) Governance structure.
 - (D) Management structure.
 - (E) Educational mission goals.
 - (F) Curriculum and instructional methods.
 - (G) Methods of pupil assessment.
 - (H) Admission policy and criteria, subject to IC 20-24-5.
 - (I) School calendar.
 - (J) Age or grade range of students to be enrolled.
 - (K) A description of staff responsibilities.
 - (L) A description of the physical plant.
 - (M) Budget and financial plans.
 - (N) Personnel plan, including methods for selection, retention, and compensation of employees.
 - (O) Transportation plan.
 - (P) Discipline program.
 - (Q) Plan for compliance with any applicable desegregation order.
 - (R) The date when the charter school is expected to:
 - (i) begin school operations; and
 - (ii) have students attending the charter school.
 - (S) The arrangement for providing teachers and other staff with health insurance, retirement benefits, liability insurance, and other benefits.

- (T) Any other applications submitted to an authorizer in the previous five (5) years.
- (4) The manner in which the authorizer must conduct an annual audit of the program operations of the charter school.
- (c) This section does not waive, limit, or modify the provisions of:
- (1) IC 20-29 in a charter school where the teachers have chosen to organize under IC 20-29; or
 - (2) an existing collective bargaining agreement for noncertificated employees (as defined in IC 20-29-2-11).
- As added by P.L.1-2005, SEC.8. Amended by P.L.91-2011, SEC.9; P.L.280-2013, SEC.24.*

IC 20-24-3-5

Repealed

(Repealed by P.L.280-2013, SEC.25.)

IC 20-24-3-5.5

Public hearing by sponsor

Sec. 5.5. (a) This section applies to an authorizer that is not the executive of a consolidated city.

(b) Before issuing a charter, the authorizer must conduct a public hearing concerning the establishment of the proposed charter school. At the public hearing, the governing body of the school corporation in which the proposed charter school will be located must be given an opportunity to comment on the effect of the proposed charter school on the school corporation, including any foreseen negative impacts on the school corporation.

As added by P.L.91-2011, SEC.10. Amended by P.L.280-2013, SEC.26.

IC 20-24-3-6

Granting of charter; provision of noncharter school required

Sec. 6. (a) Except as provided in subsection (b), if a governing body grants a charter to establish a charter school, the governing body must provide a noncharter school that students of the same age or grade levels may attend.

(b) The department may waive the requirement that a governing body provide a noncharter school under subsection (a) upon the request of the governing body.

As added by P.L.1-2005, SEC.8.

IC 20-24-3-7

Revocation of charter

Sec. 7. The authorizer may revoke the charter of a charter school that does not, by the date specified in the charter:

- (1) begin school operations; and
- (2) have students attending the charter school.

As added by P.L.1-2005, SEC.8. Amended by P.L.280-2013, SEC.27.

IC 20-24-3-8

Repealed

(Repealed by P.L.280-2013, SEC.28.)

IC 20-24-3-9

Notification of acceptance or rejection of proposal

Sec. 9. An authorizer must notify an organizer that submits a proposal under section 4 of this chapter of the:

- (1) acceptance of the proposal; or
- (2) rejection of the proposal;

not later than seventy-five (75) days after the organizer submits the proposal.

As added by P.L.1-2005, SEC.8. Amended by P.L.169-2005, SEC.13; P.L.280-2013, SEC.29.

IC 20-24-3-10

Authorizer's notification of department; annual report by department

Sec. 10. (a) An authorizer must notify the department of the following:

- (1) Receipt of a proposal.
- (2) Acceptance of a proposal.
- (3) Rejection of a proposal, including the reasons for the rejection.
- (4) The length of time for which a charter is granted.
- (5) School goals, educational program design, and an education management organization operating a school, if applicable.
- (6) The name and address of the education management organization, and the name of the chief operating officer of the education management organization, if applicable.

(b) The department shall annually do the following:

- (1) Compile the information received under subsection (a) into a report.
- (2) Submit the report in an electronic format under IC 5-14-6 to the legislative council.

As added by P.L.1-2005, SEC.8. Amended by P.L.91-2011, SEC.11; P.L.280-2013, SEC.30.

IC 20-24-3-11

Rejection of proposal; amendment or submission to another sponsor; appeal

Sec. 11. If an authorizer rejects a charter school proposal, the organizer may:

- (1) amend the charter school proposal and resubmit the proposal to the same authorizer;
- (2) submit a charter school proposal to another authorizer; or
- (3) appeal the decision to the charter school review panel established by section 12 of this chapter.

As added by P.L.1-2005, SEC.8. Amended by P.L.280-2013, SEC.31.

IC 20-24-3-12

Charter school review panel; composition; meeting to consider proposal; permissible findings

Sec. 12. (a) This section applies if the authorizer rejects a proposal.

(b) The organizer may appeal the decision of the authorizer to the charter school review panel established by subsection (c).

(c) The charter school review panel is established. The members of the panel are as follows:

- (1) The governor or the governor's designee.
- (2) The state superintendent, who shall chair the panel.
- (3) A member of the state board appointed by the state superintendent.
- (4) A person with financial management experience appointed by the governor.
- (5) A community leader with knowledge of charter school issues appointed jointly by the governor and the state superintendent.

A member shall serve a two (2) year term and may be reappointed to the panel upon expiration of the member's term.

(d) All decisions of the panel shall be determined by a majority vote of the panel's members.

(e) Upon the request of an organizer, the panel shall meet to consider the organizer's proposal and the authorizer's reasons for rejecting the proposal. The panel must allow the organizer and authorizer to participate in the meeting.

(f) After the panel meets under subsection (e), the panel shall make one (1) of the following findings and issue the finding to the organizer and the authorizer:

- (1) A finding that supports the authorizer's rejection of the proposal.
- (2) A finding that:
 - (A) recommends that the organizer amend the proposal; and
 - (B) specifies the changes to be made in the proposal if the organizer elects to amend the proposal.
- (3) A finding that approves the proposal.

The panel shall issue the finding not later than forty-five (45) days after the panel receives the request for review.

(g) If the panel makes a finding described in subsection (f)(1), the finding is final.

(h) If the panel makes a finding described in subsection (f)(2), the organizer may amend the proposal according to the panel's recommendations and resubmit the proposal directly to the panel.

(i) If the panel makes a finding described in subsection (f)(3), the proposal is considered conditionally approved. The approval shall be considered final upon delivery to the panel of written notice from the organizer and an eligible authorizer that the authorizer has agreed to serve as an authorizer for the proposal approved by the panel.

(j) Proposals approved under this section shall not be counted under any numerical limits placed upon an authorizer or set of authorizers.

As added by P.L.1-2005, SEC.8. Amended by P.L.280-2013, SEC.32.

IC 20-24-3-13

Repealed

(Repealed by P.L.91-2011, SEC.31.)

IC 20-24-3-14

University authorizers

Sec. 14. (a) This section applies to university authorizers.

(b) Except as provided in subsection (c), the ultimate responsibility for choosing to authorize a charter school and responsibilities for maintaining authorization rest with the university's board of trustees.

(c) The university's board of trustees may vote to assign authorization authority and authorization responsibilities to another person or entity that functions under the direction of the university's board. A decision made under this subsection shall be communicated in writing to the department and the charter school review panel.

(d) Before a university may authorize a charter school, the university must conduct a public meeting with public notice in the county where the charter school will be located.

As added by P.L.1-2005, SEC.8. Amended by P.L.280-2013, SEC.33.

IC 20-24-3-15

Repealed

(Repealed by P.L.91-2011, SEC.31.)

IC 20-24-3-16

Service as organizer and authorizer prohibited

Sec. 16. An entity or multiple divisions of the same entity may not serve simultaneously as both the organizer and the authorizer of the same charter school.

As added by P.L.1-2005, SEC.8. Amended by P.L.280-2013, SEC.34.

IC 20-24-3-17

Assignment of school corporation and school identification numbers

Sec. 17. (a) The department shall assign a school corporation identification number for each organizer granted a charter.

(b) If an organizer assigned a school corporation identification number under subsection (a) consists of more than one (1) charter school, the department shall assign each charter school a separate school identification number.

(c) If an organizer assigned a school corporation identification number under subsection (b) consists of more than one (1) campus, the department shall assign each campus a separate school identification number.

As added by P.L.280-2013, SEC.35. Amended by P.L.35-2014, SEC.1.

IC 20-24-3-18.5

Authorization of adult high schools

Sec. 18.5. (a) Notwithstanding IC 20-24-1-2.5 and except as provided in subsection (b), an adult high school as defined in IC 20-24-1-2.3 may only be authorized by the charter board.

(b) This section does not prohibit the mayor of Indianapolis from renewing a charter of an adult high school that was initially authorized by the mayor of Indianapolis prior to July 1, 2014.

As added by P.L.47-2014, SEC.3.

IC 20-24-4

Chapter 4. The Charter

IC 20-24-4-1 Version a

Requirements; annual performance targets; renewal

Note: This version of section amended by P.L.33-2014, SEC.1. See also following version of this section amended by P.L.47-2014, SEC.4.

Sec. 1. (a) A charter must meet the following requirements:

- (1) Be a written instrument.
- (2) Be executed by an authorizer and an organizer.
- (3) Confer certain rights, franchises, privileges, and obligations on a charter school.
- (4) Confirm the status of a charter school as a public school.
- (5) Be granted for:
 - (A) not less than three (3) years or more than seven (7) years; and
 - (B) a fixed number of years agreed to by the authorizer and the organizer.
- (6) Provide for the following:
 - (A) A review by the authorizer of the charter school's performance, including the progress of the charter school in achieving the academic goals set forth in the charter, at least one (1) time in each five (5) year period while the charter is in effect.
 - (B) Renewal, if the authorizer and the organizer agree to renew the charter.
 - (C) The renewal application must include guidance from the authorizer, and the guidance must include the performance criteria that will guide the authorizer's renewal decisions.
 - (D) The renewal application process must, at a minimum, provide an opportunity for the charter school to:
 - (i) present additional evidence, beyond the data contained in the performance report, supporting its case for charter renewal;
 - (ii) describe improvements undertaken or planned for the charter school; and
 - (iii) detail the charter school's plans for the next charter term.
 - (E) Not later than October 1 in the year in which the charter school seeks renewal of a charter, the governing board of a charter school seeking renewal shall submit a renewal application to the charter authorizer under the renewal application guidance issued by the authorizer. The authorizer shall make a final ruling on the renewal application not later than March 1 after the filing of the renewal application. The March 1 deadline does not apply to any review or appeal of a final ruling. After the final ruling is issued, the charter school may obtain further review by the authorizer of the authorizer's final ruling in accordance with the terms of the

- charter school's charter and the protocols of the authorizer.
- (7) Specify the grounds for the authorizer to:
 - (A) revoke the charter before the end of the term for which the charter is granted; or
 - (B) not renew a charter.
 - (8) Set forth the methods by which the charter school will be held accountable for achieving the educational mission and goals of the charter school, including the following:
 - (A) Evidence of improvement in:
 - (i) assessment measures, including the ISTEP and end of course assessments;
 - (ii) attendance rates;
 - (iii) graduation rates (if appropriate);
 - (iv) increased numbers of Core 40 diplomas and other college and career ready indicators including advanced placement participation and passage, dual credit participation and passage, and International Baccalaureate participation and passage (if appropriate);
 - (v) increased numbers of academic honors and technical honors diplomas (if appropriate);
 - (vi) student academic growth;
 - (vii) financial performance and stability; and
 - (viii) governing board performance and stewardship, including compliance with applicable laws, rules and regulations, and charter terms.
 - (B) Evidence of progress toward reaching the educational goals set by the organizer.
 - (9) Describe the method to be used to monitor the charter school's:
 - (A) compliance with applicable law; and
 - (B) performance in meeting targeted educational performance.
 - (10) Specify that the authorizer and the organizer may amend the charter during the term of the charter by mutual consent and describe the process for amending the charter.
 - (11) Describe specific operating requirements, including all the matters set forth in the application for the charter.
 - (12) Specify a date when the charter school will:
 - (A) begin school operations; and
 - (B) have students attending the charter school.
 - (13) Specify that records of a charter school relating to the school's operation and charter are subject to inspection and copying to the same extent that records of a public school are subject to inspection and copying under IC 5-14-3.
 - (14) Specify that records provided by the charter school to the department or authorizer that relate to compliance by the organizer with the terms of the charter or applicable state or federal laws are subject to inspection and copying in accordance with IC 5-14-3.
 - (15) Specify that the charter school is subject to the

requirements of IC 5-14-1.5.

(b) A charter school shall set annual performance targets in conjunction with the charter school's authorizer. The annual performance targets shall be designed to help each school meet applicable federal, state, and authorizer expectations.

As added by P.L.1-2005, SEC.8. Amended by P.L.91-2011, SEC.12; P.L.280-2013, SEC.36; P.L.33-2014, SEC.1.

IC 20-24-4-1 Version b

Requirements; annual performance targets; renewal

Note: This version of section amended by P.L.47-2014, SEC.4. See also preceding version of this section amended by P.L.33-2014, SEC.1.

Sec. 1. (a) A charter must meet the following requirements:

- (1) Be a written instrument.
- (2) Be executed by an authorizer and an organizer.
- (3) Confer certain rights, franchises, privileges, and obligations on a charter school.
- (4) Confirm the status of a charter school as a public school.
- (5) Be granted for:
 - (A) not less than three (3) years; and
 - (B) a fixed number of years agreed to by the authorizer and the organizer.
- (6) Provide for the following:
 - (A) A review by the authorizer of the charter school's performance, including the progress of the charter school in achieving the academic goals set forth in the charter, at least one (1) time in each five (5) year period while the charter is in effect.
 - (B) Renewal, if the authorizer and the organizer agree to renew the charter.
 - (C) The renewal application must include guidance from the authorizer, and the guidance must include the performance criteria that will guide the authorizer's renewal decisions.
 - (D) The renewal application process must, at a minimum, provide an opportunity for the charter school to:
 - (i) present additional evidence, beyond the data contained in the performance report, supporting its case for charter renewal;
 - (ii) describe improvements undertaken or planned for the charter school; and
 - (iii) detail the charter school's plans for the next charter term.
 - (E) Not later than October 1 in the year in which the charter school seeks renewal of a charter, the governing board of a charter school seeking renewal shall submit a renewal application to the charter authorizer under the renewal application guidance issued by the authorizer. The authorizer shall make a final ruling on the renewal application not later than March 1 after the filing of the renewal application. The

March 1 deadline does not apply to any review or appeal of a final ruling. After the final ruling is issued, the charter school may obtain further review by the authorizer of the authorizer's final ruling in accordance with the terms of the charter school's charter and the protocols of the authorizer.

- (7) Specify the grounds for the authorizer to:
 - (A) revoke the charter before the end of the term for which the charter is granted; or
 - (B) not renew a charter.
- (8) Set forth the methods by which the charter school will be held accountable for achieving the educational mission and goals of the charter school, including the following:
 - (A) Evidence of improvement in:
 - (i) assessment measures, including the ISTEP and end of course assessments;
 - (ii) attendance rates;
 - (iii) graduation rates (if appropriate);
 - (iv) increased numbers of Core 40 diplomas and other college and career ready indicators including advanced placement participation and passage, dual credit participation and passage, and International Baccalaureate participation and passage (if appropriate);
 - (v) increased numbers of academic honors and technical honors diplomas (if appropriate);
 - (vi) student academic growth;
 - (vii) financial performance and stability; and
 - (viii) governing board performance and stewardship, including compliance with applicable laws, rules and regulations, and charter terms.
 - (B) Evidence of progress toward reaching the educational goals set by the organizer.
- (9) Describe the method to be used to monitor the charter school's:
 - (A) compliance with applicable law; and
 - (B) performance in meeting targeted educational performance.
- (10) Specify that the authorizer and the organizer may amend the charter during the term of the charter by mutual consent and describe the process for amending the charter.
- (11) Describe specific operating requirements, including all the matters set forth in the application for the charter.
- (12) Specify a date when the charter school will:
 - (A) begin school operations; and
 - (B) have students attending the charter school.
- (13) Specify that records of a charter school relating to the school's operation and charter are subject to inspection and copying to the same extent that records of a public school are subject to inspection and copying under IC 5-14-3.
- (14) Specify that records provided by the charter school to the department or authorizer that relate to compliance by the

organizer with the terms of the charter or applicable state or federal laws are subject to inspection and copying in accordance with IC 5-14-3.

(15) Specify that the charter school is subject to the requirements of IC 5-14-1.5.

(16) This subdivision applies to a charter established or renewed for an adult high school after June 30, 2014. The charter must require:

(A) that the school will offer flexible scheduling;

(B) that students will not complete the majority of instruction of the school's curriculum online or through remote instruction;

(C) that the school will offer dual credit or industry certification course work that aligns with career pathways as recommended by the Indiana career council established by IC 22-4.5-9-3; and

(D) a plan:

(i) to support successful program completion and to assist transition of graduates to the workforce or to a postsecondary education upon receiving a diploma from the adult high school; and

(ii) to review individual student accomplishments and success after a student receives a diploma from the adult high school.

(b) A charter school shall set annual performance targets in conjunction with the charter school's authorizer. The annual performance targets shall be designed to help each school meet applicable federal, state, and authorizer expectations.

As added by P.L.1-2005, SEC.8. Amended by P.L.91-2011, SEC.12; P.L.280-2013, SEC.36; P.L.47-2014, SEC.4.

IC 20-24-4-1.5

Authorization; organizer with terminated or non-renewed charter; approval by state board

Sec. 1.5. (a) Before an authorizer may issue a charter to an organizer that has had its charter terminated or has been informed that its charter will not be renewed by the organizer's current authorizer, the authorizer must request to have the proposal reviewed by the state board at a hearing. The state board shall conduct a hearing in which the authorizer must present information indicating that the organizer's proposal is substantively different in the areas of deficiency identified by the current authorizer from the organizer's current proposal as set forth within the charter with its current authorizer.

(b) After the state board conducts a hearing under subsection (a), the state board shall either approve or deny the proposal. If the proposal is denied by the state board, the authorizer may not issue a charter to the organizer.

As added by P.L.280-2013, SEC.37.

IC 20-24-4-2

Multiple charter contracts

Sec. 2. An organizer may hold one (1) or more charter contracts. Each charter school that is part of a charter contract must be separate and distinct from any other charter school.

As added by P.L.280-2013, SEC.38.

IC 20-24-4-3

Authorizer; renewal of charters; establishment of revocation and nonrenewal processes

Sec. 3. (a) In making charter renewal decisions, an authorizer shall:

- (1) make decisions based upon evidence of the school's performance over the term of the charter contract in accordance with the performance framework set forth in the charter contract;
- (2) ensure the data used in making renewal decisions are available to the school and the public; and
- (3) provide a public report summarizing the evidence basis for each decision.

(b) An authorizer must develop revocation and nonrenewal processes that:

- (1) provide the organizer with a timely notification of revocation or nonrenewal and the reasons for the possible revocation or nonrenewal;
- (2) allow the organizer a reasonable amount of time in which to prepare a response;
- (3) provide the organizer with an opportunity to submit documents and give testimony in support of the continuation of the charter school at a proceeding held for that purpose;
- (4) allow the organizer access to representation by counsel; and
- (5) after a reasonable period for deliberation, require that a final determination be made and conveyed in writing to the organizer.

(c) If an authorizer revokes or does not renew a charter, the authorizer shall clearly state, in writing, the reasons for the revocation or nonrenewal.

As added by P.L.280-2013, SEC.39.

IC 20-24-5

Chapter 5. Student Admissions and Enrollment

IC 20-24-5-1

Charter schools open to all Indiana students

Sec. 1. A charter school, including a conversion charter school, must be open to any student who resides in Indiana.

As added by P.L.1-2005, SEC.8. Amended by P.L.91-2011, SEC.13.

IC 20-24-5-2

Repealed

(Repealed by P.L.91-2011, SEC.31.)

IC 20-24-5-3

Repealed

(Repealed by P.L.91-2011, SEC.31.)

IC 20-24-5-4

Admission policies

Sec. 4. (a) Except as provided in this chapter, a charter school may not establish admission policies or limit student admissions in any manner in which a public school is not permitted to establish admission policies or limit student admissions.

(b) Notwithstanding subsection (a), a charter school may operate as a single gender school if approved to do so by the authorizer. A single gender charter school must be open to any student of the gender the school serves who resides in Indiana.

As added by P.L.1-2005, SEC.8. Amended by P.L.91-2011, SEC.14; P.L.280-2013, SEC.40.

IC 20-24-5-5

Limits on attendance

Sec. 5. (a) Except as provided in subsections (b), (c), and (d), a charter school must enroll any eligible student who submits a timely application for enrollment.

(b) This subsection applies if the number of applications for a program, class, grade level, or building exceeds the capacity of the program, class, grade level, or building. If a charter school receives a greater number of applications than there are spaces for students, each timely applicant must be given an equal chance of admission. The organizer must determine which of the applicants will be admitted to the charter school or the program, class, grade level, or building by random drawing in a public meeting.

(c) A charter school may limit new admissions to the charter school to:

(1) ensure that a student who attends the charter school during a school year may continue to attend the charter school in subsequent years;

(2) ensure that a student who attends a charter school during a school year may continue to attend a different charter school

held by the same organizer in subsequent years; and

(3) allow the siblings of a student who attends a charter school or a charter school held by the same organizer to attend the same charter school the student is attending.

(d) This subsection applies to an existing school that converts to a charter school under IC 20-24-11. During the school year in which the existing school converts to a charter school, the charter school may limit admission to:

(1) those students who were enrolled in the charter school on the date of the conversion; and

(2) siblings of students described in subdivision (1).

As added by P.L. 1-2005, SEC.8. Amended by P.L.91-2011, SEC.15; P.L.35-2014, SEC.2.

IC 20-24-6

Chapter 6. Employment of Teachers and Other Personnel; Collective Bargaining

IC 20-24-6-1

Employees; accrual of and financial responsibility for benefits

Sec. 1. (a) Individuals who work at a charter school are employees of the charter school or of an entity with which the charter school has contracted to provide services.

(b) Teachers in a conversion charter school may be employees of the charter school or of both the charter school and the school corporation that authorized the charter school, as determined by the provisions of the charter.

(c) All benefits accrued by teachers as employees of the conversion charter school are the financial responsibility of the conversion charter school.

(d) All benefits accrued by a teacher during the time the teacher was an employee only of the school corporation that authorized the charter school are the financial responsibility of the school corporation. The school corporation shall pay those benefits directly or reimburse the conversion charter school for the cost of the benefits.

As added by P.L.1-2005, SEC.8. Amended by P.L.91-2011, SEC.16; P.L.280-2013, SEC.41.

IC 20-24-6-2

Teachers; voluntary service and hiring

Sec. 2. Individuals must choose to be teachers at a charter school voluntarily, and a charter school must voluntarily choose those individuals to be its teachers.

As added by P.L.1-2005, SEC.8.

IC 20-24-6-3

Collective bargaining permitted

Sec. 3. Employees of a charter school may organize and bargain collectively under IC 20-29.

As added by P.L.1-2005, SEC.8.

IC 20-24-6-4

Repealed

(Repealed by P.L.91-2011, SEC.31.)

IC 20-24-6-5

General and alternative qualifications for full time teachers; part time teachers; other providers of service

Sec. 5. (a) At least ninety percent (90%) of the individuals who teach full time in a charter school must either:

- (1) hold a license to teach in a public school in Indiana under IC 20-28-5; or
- (2) be in the process of obtaining a license to teach in a public

school in Indiana under the transition to teaching program established by IC 20-28-4-2; unless the charter school requests and the state board approves a waiver for a lower percentage.

(b) An individual who does not qualify under subsection (a) may teach full time in a charter school if the individual meets one (1) of the following criteria:

(1) The individual is in the process of obtaining a license to teach in a charter school in Indiana under IC 20-28-5-16.

(2) The individual holds at least a bachelor's degree with a grade point average of at least three (3.0) on a four (4.0) point scale from an accredited postsecondary educational institution in the content or related area in which the individual teaches.

Individuals qualifying under this subsection may not exceed ten percent (10%) of the full time teaching staff unless the charter school requests and the state board approves a waiver for a higher percentage.

(c) An individual described in subsection (a)(2) must complete the transition to teaching program not later than three (3) years after beginning to teach at a charter school.

(d) An individual who holds a part-time teaching position in a charter school must hold at least a bachelor's degree with a grade point average of at least three (3.0) on a four (4.0) point scale from an accredited postsecondary educational institution in the content or related area in which the individual teaches.

(e) An individual who provides to students in a charter school a service:

(1) that is not teaching; and

(2) for which a license is required under Indiana law;

must have the appropriate license to provide the service in Indiana. *As added by P.L.1-2005, SEC.8. Amended by P.L.91-2011, SEC.17; P.L.6-2012, SEC.129.*

IC 20-24-6-6

Substitute teachers

Sec. 6. A charter school may employ a substitute teacher or an individual who holds a limited license to teach in the same manner in which a noncharter public school may employ a substitute teacher or an individual who holds a limited license to teach.

As added by P.L.1-2005, SEC.8.

IC 20-24-6-7

Participation of employees in retirement fund

Sec. 7. (a) A charter school may participate in any of the following:

(1) The Indiana state teachers' retirement fund in accordance with IC 5-10.4.

(2) The public employees' retirement fund in accordance with IC 5-10.3.

(3) Another employee pension or retirement fund.

(b) Except as provided in subsection (e), a person who teaches in a charter school is a member of the Indiana state teachers' retirement fund. Service in a charter school is creditable service for purposes of IC 5-10.4.

(c) Except as provided in subsection (e), a person who:

(1) is a local school employee of a charter school; and

(2) is not eligible to participate in the Indiana state teachers' retirement fund;

is a member of the public employees' retirement fund.

(d) The board of trustees of the Indiana public retirement system shall implement this section through the organizer of the charter school, subject to and conditioned upon receiving any approvals the board considers appropriate from the Internal Revenue Service and the United States Department of Labor.

(e) Charter school employees may participate in a private pension or retirement program, if the organizer of the charter school offers the opportunity to participate in the program.

As added by P.L.1-2005, SEC.8. Amended by P.L.2-2006, SEC.105; P.L.234-2007, SEC.226; P.L.35-2012, SEC.101.

IC 20-24-6-8

Decision to grant charter; not subject to restraint by collective bargaining agreement

Sec. 8. The decision by an authorizer whether to grant a charter is not subject to restraint by a collective bargaining agreement.

As added by P.L.1-2005, SEC.8. Amended by P.L.280-2013, SEC.42.

IC 20-24-6-9

Repealed

(Repealed by P.L.91-2011, SEC.31.)

IC 20-24-6-10

Transfer of teacher to nonconversion charter school; continuation of seniority status

Sec. 10. (a) The governing body:

(1) must grant a transfer of not more than two (2) years; and

(2) may grant a transfer for a period in addition to the period required in subdivision (1);

to a teacher of a noncharter school in the school corporation who wishes to teach and has been accepted to teach at a nonconversion charter school.

(b) During the term of the transfer under subsection (a):

(1) the teacher's seniority status under law continues as if the teacher were an employee of a noncharter school in the school corporation; and

(2) the teacher's years as a charter school employee shall not be considered for purposes of permanent or semipermanent status with the school corporation under IC 20-28-6, IC 20-28-7.5, or IC 20-28-8.

As added by P.L.1-2005, SEC.8. Amended by P.L.90-2011, SEC.8.

IC 20-24-7

Chapter 7. Fiscal Matters

IC 20-24-7-1

Organizer; distribution of state tuition support

Sec. 1. (a) The organizer is the fiscal agent for the charter school.

(b) The organizer has exclusive control of:

- (1) funds received by the charter school; and
- (2) financial matters of the charter school.

(c) The organizer shall maintain accounts of all funds received and disbursed by the organizer. The organizer shall maintain separate accountings of all funds received and disbursed by each charter school it holds.

(d) Notwithstanding IC 20-43, an organizer that operates more than one (1) charter school may file, before July 1, 2014, a notice with the department that the organizer desires to receive the tuition support distributions for the state fiscal year beginning July 1, 2014, for all the charter schools the organizer operates. After the organizer's authorizer or authorizers verify to the department that the organizer operates the charter schools, the department shall distribute the tuition support for the verified charter schools to the organizer. The organizer may distribute the tuition support distribution it receives to each charter school it operates in the amounts determined by the organizer. However, an organizer that receives money from the state under this subsection may not use any of the money received for expenses incurred outside Indiana that are not directly related to the charter school the organizer operates in Indiana.

(e) Organizers receiving tuition support under this section may submit a consolidated audit in accordance with guidelines established by the state examiner and submit any required financial reporting to the department in a manner prescribed by the state examiner. The state examiner shall establish guidelines and prescribe reporting requirements for organizers under this section that are consistent with generally accepted accounting principles (GAAP) and the needs of the department.

As added by P.L.1-2005, SEC.8. Amended by P.L.35-2014, SEC.3.

IC 20-24-7-2

Charter school student information; distribution of state funds

Sec. 2. (a) Not later than each of the dates established by the department for determining ADM under IC 20-43-4-3, the organizer shall submit to the department the following information on a form prescribed by the department:

- (1) The number of students enrolled in the charter school.
- (2) The name and address of each student.
- (3) The name of the school corporation in which the student has legal settlement.
- (4) The name of the school corporation, if any, that the student attended during the immediately preceding school year.
- (5) The grade level in which the student will enroll in the charter

school.

The department shall verify the accuracy of the information reported.

(b) The department shall distribute state tuition support distributions to the organizer. The department shall make a distribution under this subsection at the same time and in the same manner as the department makes a distribution of state tuition support under IC 20-43-2 to other school corporations.

As added by P.L.1-2005, SEC.8. Amended by P.L.2-2006, SEC.106; P.L.146-2008, SEC.460; P.L.205-2013, SEC.229.

IC 20-24-7-3

Calculation and distribution of state funds to conversion charter school

Sec. 3. (a) This section applies to a conversion charter school.

(b) Beginning not more than sixty (60) days after the department receives the information reported under section 2(a) of this chapter, the department shall distribute to the organizer:

- (1) tuition support and other state funding for any purpose for students enrolled in the conversion charter school;
- (2) a proportionate share of state and federal funds received:
 - (A) for students with disabilities; or
 - (B) for staff services for students with disabilities; enrolled in the conversion charter school; and
- (3) a proportionate share of funds received under federal or state categorical aid programs for students who are eligible for the federal or state categorical aid and are enrolled in the conversion charter school;

for the second six (6) months of the calendar year in which the conversion charter school is established. The department shall make a distribution under this subsection at the same time and in the same manner as the department makes a distribution to the governing body of the school corporation in which the conversion charter school is located. A distribution to the governing body of the school corporation in which the conversion charter school is located is reduced by the amount distributed to the conversion charter school. This subsection does not apply to a conversion charter school after December 31 of the calendar year in which the conversion charter school is established.

As added by P.L.1-2005, SEC.8. Amended by P.L.2-2006, SEC.107; P.L.146-2008, SEC.461; P.L.205-2013, SEC.230.

IC 20-24-7-4

Costs of services provided by school corporation; administrative fees for authorizers

Sec. 4. (a) Services that a school corporation provides to a charter school, including transportation, may be provided at not more than one hundred three percent (103%) of the actual cost of the services.

(b) This subsection applies to an authorizer that is a state educational institution described in IC 20-24-1-2.5(2). Except as provided in subsection (f), in a state fiscal year, a state educational

institution may receive from the organizer of a charter school authorized by the state educational institution an administrative fee equal to not more than three percent (3%) of the total amount the organizer receives during the state fiscal year from basic tuition support (as defined in IC 20-43-1-8).

(c) This subsection applies to the executive of a consolidated city that authorizes a charter school. Except as provided in subsection (f), in a state fiscal year, the executive may collect from the organizer of a charter school authorized by the executive an administrative fee equal to not more than three percent (3%) of the total amount the organizer receives during the state fiscal year for basic tuition support.

(d) This subsection applies to an authorizer that is a nonprofit college or university that is approved by the state board of education. Except as provided in subsection (f), in a state fiscal year, a private college or university may collect from the organizer of a charter school authorized by the private college or university an administrative fee equal to not more than three percent (3%) of the total amount the organizer receives during the state fiscal year for basic tuition support.

(e) This subsection applies to the charter board. Except as provided in subsection (f), in a state fiscal year, the charter school board may collect from the organizer of a charter school authorized by the charter board an administrative fee equal to not more than three percent (3%) of the total amount the organizer receives during the state fiscal year for basic tuition support.

(f) This subsection applies to an adult high school. An authorizer described in subsections (b) through (e) may collect an administrative fee equal to not more than three percent (3%) of the total state appropriation to the adult high school for a state fiscal year under section 13.5 of this chapter.

(g) An authorizer's administrative fee may not include any costs incurred in delivering services that a charter school may purchase at its discretion from the authorizer. The authorizer shall use its funding provided under this section exclusively for the purpose of fulfilling authorizing obligations.

(h) Except for oversight services, a charter school may not be required to purchase services from its authorizer as a condition of charter approval or of executing a charter contract, nor may any such condition be implied.

(i) A charter school may choose to purchase services from its authorizer. In that event, the charter school and authorizer shall execute an annual service contract, separate from the charter contract, stating the parties' mutual agreement concerning the services to be provided by the authorizer and any service fees to be charged to the charter school. An authorizer may not charge more than market rates for services provided to a charter school.

(j) Not later than ninety (90) days after the end of each fiscal year, each authorizer shall provide to each charter school it authorizes an itemized accounting of the actual costs of services purchased by the

charter school from the authorizer. Any difference between the amount initially charged to the charter school and the actual cost shall be reconciled and paid to the owed party. If either party disputes the itemized accounting, any charges included in the accounting, or charges to either party, either party may request a review by the department. The requesting party shall pay the costs of the review.
As added by P.L.1-2005, SEC.8. Amended by P.L.2-2006, SEC.108; P.L.146-2008, SEC.462; P.L.91-2011, SEC.18; P.L.205-2013, SEC.231; P.L.47-2014, SEC.5.

IC 20-24-7-5

Grants and private and federal funds

Sec. 5. (a) An organizer may apply for and accept for a charter school:

- (1) independent financial grants; and
- (2) funds from public or private sources other than the department.

(b) An organizer shall make all applications, enter into all contracts, and sign all documents necessary for the receipt by a charter school of aid, money, or property from the federal government.

As added by P.L.1-2005, SEC.8.

IC 20-24-7-6

Distribution of share of school corporation's capital project fund

Sec. 6. With the approval of a majority of the members of the governing body, a school corporation may distribute a proportionate share of the school corporation's capital project fund to a charter school.

As added by P.L.1-2005, SEC.8.

IC 20-24-7-6.5

Repealed

(Repealed by P.L.205-2013, SEC.232.)

IC 20-24-7-7

Building projects; applicability of bidding and wage determination laws

Sec. 7. When a charter school uses public funds for the construction, reconstruction, alteration, or renovation of a public building, bidding and wage determination laws and all other statutes and rules apply.

As added by P.L.1-2005, SEC.8.

IC 20-24-7-8

Sponsor's right to receive financial reports from organizer

Sec. 8. An authorizer may request and receive financial reports concerning a charter school from the organizer at any time.

As added by P.L.1-2005, SEC.8. Amended by P.L.280-2013, SEC.43.

IC 20-24-7-9

Termination of charter; distribution of funds; repayment of obligations

Sec. 9. (a) This section applies if:

(1) an authorizer:

(A) revokes a charter before the end of the term for which the charter is granted; or

(B) does not renew a charter; or

(2) a charter school otherwise terminates its charter before the end of the term for which the charter is granted.

(b) Any state funds that remain to be distributed to the charter school in the state fiscal year in which an event described in subsection (a) occurs shall be distributed as follows:

(1) First, to the common school loan fund to repay any existing obligations of the charter school under IC 20-49-7 (repealed).

(2) Second, to the entities that distributed the funds to the charter school. A distribution under this subdivision shall be on a pro rata basis.

(c) If the funds described in subsection (b) are insufficient to repay all existing obligations of the charter school under IC 20-49-7 (repealed), the state shall repay any remaining obligations of the charter school under IC 20-49-7 (repealed) from the amount appropriated for state tuition support distributions.

As added by P.L.1-2005, SEC.8. Amended by P.L.2-2006, SEC.109; P.L.146-2008, SEC.463; P.L.205-2013, SEC.233.

IC 20-24-7-10

Federal funds for charter schools; department's responsibilities

Sec. 10. (a) The department shall carry out a program to identify all federal funds for which a charter school is eligible.

(b) The department shall apply for all federal funds that are available for charter schools and for which Indiana is eligible.

(c) Upon receiving notice under IC 20-24-3-10 from an authorizer that a charter has been approved, the department shall immediately inform the organizer of the organizer's potential eligibility for federal charter school start-up grants.

(d) The department shall distribute federal charter school start-up grants to eligible organizers in a timely manner according to the department's published guidelines for distributing the grants.

(e) The department shall compile a biannual report and submit the report to the state office of federal grants and procurement and to charter school organizers and authorizers. The report submitted under this subsection must contain the following information for grants distributed under this section:

(1) Beginning and end dates for each grant cycle.

(2) The dates on which:

(A) grant applications and requests for renewal were received; and

(B) grants were awarded.

(3) The amount of each grant awarded.

As added by P.L.169-2005, SEC.14. Amended by P.L.280-2013, SEC.44.

IC 20-24-7-11

Matching funds for federal grants to charter schools

Sec. 11. (a) If the United States Department of Education approves a new competition for states to receive matching funds for charter school facilities, the department shall pursue this federal funding.

(b) To increase the state's opportunity to receive matching funds from the United States Department of Education, the department shall develop a facilities incentive grants program before January 1, 2010.

(c) The department shall use the priority criteria set forth in 21 U.S.C. 7221d(b) and 34 CFR 226.12 through 34 CFR 226.14 to develop the facilities incentive grants program.

As added by P.L.169-2005, SEC.15 and P.L.246-2005, SEC.129. Amended by P.L.182-2009(ss), SEC.314; P.L.91-2011, SEC.19.

IC 20-24-7-12

Repealed

(Repealed by P.L.146-2008, SEC.807.)

IC 20-24-7-13

Virtual charter schools; funding

Sec. 13. (a) As used in this section, "virtual charter school" means any charter school, including a conversion charter school, that provides for the delivery of more than fifty percent (50%) of instruction to students through:

- (1) virtual distance learning;
- (2) online technologies; or
- (3) computer based instruction.

(b) A virtual charter school may apply for authorization with any statewide sponsor in accordance with the authorizer's guidelines.

(c) For state fiscal years beginning after June 30, 2013, a virtual charter school is entitled to receive funding in a month from the state in an amount equal to the sum of:

- (1) the product of:
 - (A) the number of students included in the virtual charter school's current ADM; multiplied by
 - (B) the result of:
 - (i) ninety percent (90%) of the school's foundation amount determined under IC 20-43-5-4; divided by
 - (ii) twelve (12); plus
- (2) the total of any:
 - (A) special education grants under IC 20-43-7;
 - (B) career and technical education grants under IC 20-43-8;
 - (C) honor grants under IC 20-43-10;
 - (D) complexity grants under IC 20-43-13; and
 - (E) full-day kindergarten grants under IC 20-43-14;

to which the virtual charter school is entitled for the month.

For state fiscal years beginning after June 30, 2013, a virtual charter

school is entitled to receive special education grants under IC 20-43-7 calculated in the same manner as special education grants are calculated for other school corporations.

(d) The state board shall adopt rules under IC 4-22-2 to govern the operation of virtual charter schools.

(e) The department, with the approval of the state board, shall before December 1 of each year submit an annual report to the budget committee concerning the program under this section.

(f) Each school year, at least sixty percent (60%) of the students who are enrolled in virtual charter schools under this section for the first time must have been included in the state's fall count of ADM conducted in the previous school year.

As added by P.L.182-2009(ss), SEC.315. Amended by P.L.1-2010, SEC.78; P.L.91-2011, SEC.20; P.L.229-2011, SEC.171; P.L.205-2013, SEC.234.

IC 20-24-7-13.5

Funding for certain charter schools for adults; exceptions

Sec. 13.5. (a) This section applies to the following charter schools:

(1) The Excel Centers for Adult Learners that is located in Indianapolis, is sponsored or authorized by the mayor of Indianapolis, and that is operating as of May 1, 2013.

(2) The Anderson Excel Center that is sponsored or authorized by the charter board and that is operating as of May 1, 2013.

(3) The Christel House Academy DOR center that is located in Indianapolis, is sponsored or authorized by the mayor of Indianapolis, and that is operating as of May 1, 2013.

(4) The Excel Centers for Adult Learners located in Kokomo, Lafayette, and Richmond that are sponsored or authorized by the charter board and that are scheduled to begin operating not later than fall 2013, and the Excel Center for Adult Learners located in Indianapolis (Lafayette Square) that is sponsored or authorized by the mayor of Indianapolis and that is scheduled to begin operating not later than fall 2013.

(5) The Gary Middle College charter school that is sponsored or authorized by Ball State University, that includes students who are twenty-two (22) years of age and older, and that is operating as of May 1, 2013.

(b) Notwithstanding any other law, for state fiscal years beginning after June 30, 2013, a charter school described in subsection (a) is entitled to receive funding from the state in an amount equal to the product of:

(1) the charter school's number of students (expressed as full-time equivalents); multiplied by

(2) six thousand six hundred dollars (\$6,600).

However, in the case of the charter school described in subsection (a)(5), the funding under this section applies only for those students who are twenty-two (22) years of age and older.

(c) A charter school described in subsection (a) is entitled to receive federal special education funding.

(d) A Christel House Academy that, before July 1, 2013, was granted a charter by the mayor of Indianapolis to establish an adult high school may be entitled to state funding after June 30, 2015, if the adult high school was not in operation on May 1, 2013.

(e) The state funding under this section shall be paid each state fiscal year under a schedule set by the budget agency and approved by the governor. However, the schedule shall provide for at least twelve (12) payments, that one (1) payment shall be made at least every forty (40) days, and the aggregate of the payments in each state fiscal year shall equal the amount required under this section. However, if the appropriations for this purpose are insufficient, the distributions to each recipient shall be reduced proportionately.

(f) This section expires July 1, 2015.

As added by P.L.205-2013, SEC.235. Amended by P.L.47-2014, SEC.6.

IC 20-24-7-14

Funding of adult high schools

Sec. 14. Except as provided in section 13.5 of this chapter, notwithstanding any other law, for state fiscal years beginning after June 30, 2014, an adult high school is not entitled to receive funding from the state, including any tuition support, unless the general assembly enacts an appropriation for the adult high school.

As added by P.L.47-2014, SEC.7.

IC 20-24-7.5

Repealed

(Repealed by P.L.205-2013, SEC.236.)

IC 20-24-8

Chapter 8. Charter School Powers and Exemptions

IC 20-24-8-1

Powers of charter schools

Sec. 1. A charter school may do the following:

- (1) Sue and be sued in its own name.
- (2) For educational purposes, acquire real and personal property or an interest in real and personal property by purchase, gift, grant, devise, or bequest.
- (3) Convey property.
- (4) Enter into contracts in its own name, including contracts for services.

As added by P.L.1-2005, SEC.8.

IC 20-24-8-2

Prohibited acts

Sec. 2. (a) A charter school may not do the following:

- (1) Operate at a site or for grades other than as specified in the charter.
- (2) Charge tuition to any student residing within the school corporation's geographic boundaries. However, a charter school may charge tuition for:
 - (A) a preschool program, unless charging tuition for the preschool program is barred under federal law; or
 - (B) a latch key program;if the charter school provides those programs.
- (3) Except for a foreign exchange student who is not a United States citizen, enroll a student who is not a resident of Indiana.
- (4) Be located in a private residence.
- (5) Provide solely home based instruction.

(b) A charter school is not prohibited from delivering instructional services:

- (1) through the Internet or another online arrangement; or
- (2) in any manner by computer;

if the instructional services are provided to students enrolled in the charter school in a manner that complies with any procedures adopted by the department concerning online and computer instruction in public schools.

As added by P.L.1-2005, SEC.8. Amended by P.L.169-2005, SEC.16.

IC 20-24-8-3

Compliance with laws, charter, and state constitution

Sec. 3. For each charter school established under this article, the charter school and the organizer are accountable to the authorizer for ensuring compliance with:

- (1) applicable federal and state laws;
- (2) the charter; and
- (3) the Constitution of the State of Indiana.

As added by P.L.1-2005, SEC.8. Amended by P.L.280-2013, SEC.45.

IC 20-24-8-4

Statutes, rules, and regulations not applicable

Sec. 4. Except as specifically provided in this article and the statutes listed in section 5 of this chapter, the following do not apply to a charter school:

- (1) An Indiana statute applicable to a governing body or school corporation.
- (2) A rule or guideline adopted by the state board.
- (3) A rule or guideline adopted by the state board concerning teachers, except for those rules that assist a teacher in gaining or renewing a standard or advanced license.
- (4) A local regulation or policy adopted by a school corporation unless specifically incorporated in the charter.

As added by P.L.1-2005, SEC.8. Amended by P.L.246-2005, SEC.130; P.L.90-2011, SEC.9.

IC 20-24-8-5

Applicable statutes, rules, and guidelines

Sec. 5. The following statutes and rules and guidelines adopted under the following statutes apply to a charter school:

- (1) IC 5-11-1-9 (required audits by the state board of accounts).
- (2) IC 20-39-1-1 (unified accounting system).
- (3) IC 20-35 (special education).
- (4) IC 20-26-5-10 (criminal history).
- (5) IC 20-26-5-6 (subject to laws requiring regulation by state agencies).
- (6) IC 20-28-10-12 (nondiscrimination for teacher marital status).
- (7) IC 20-28-10-14 (teacher freedom of association).
- (8) IC 20-28-10-17 (school counselor immunity).
- (9) For conversion charter schools only, IC 20-28-6, IC 20-28-7.5, IC 20-28-8, IC 20-28-9, and IC 20-28-10.
- (10) IC 20-33-2 (compulsory school attendance).
- (11) IC 20-33-3 (limitations on employment of children).
- (12) IC 20-33-8-19, IC 20-33-8-21, and IC 20-33-8-22 (student due process and judicial review).
- (13) IC 20-33-8-16 (firearms and deadly weapons).
- (14) IC 20-34-3 (health and safety measures).
- (15) IC 20-33-9 (reporting of student violations of law).
- (16) IC 20-30-3-2 and IC 20-30-3-4 (patriotic commemorative observances).
- (17) IC 20-31-3, IC 20-32-4, IC 20-32-5, IC 20-32-8, and IC 20-32-8.5, as provided in IC 20-32-8.5-2(b) (academic standards, accreditation, assessment, and remediation).
- (18) IC 20-33-7 (parental access to education records).
- (19) IC 20-31 (accountability for school performance and improvement).
- (20) IC 20-30-5-19 (personal financial responsibility instruction).

As added by P.L.1-2005, SEC.8. Amended by P.L.2-2006, SEC.111;

P.L.121-2009, SEC.5; P.L.154-2009, SEC.1; P.L.90-2011, SEC.10; P.L.160-2012, SEC.47.

IC 20-24-8-6

Bureau of Apprenticeship and Training apprenticeship programs

Sec. 6. (a) A charter school may not duplicate a Bureau of Apprenticeship and Training (BAT) approved Building Trades apprenticeship program.

(b) A student in a charter school may not be excluded from participating in a BAT approved Building Trades apprenticeship program that is offered in a noncharter school.

As added by P.L.1-2005, SEC.8.

IC 20-24-8-7

Financial reports and audits

Sec. 7. A charter school may use any money distributed by law to the charter school to prepare financial reports and conduct audits that the charter school determines are necessary for the conduct of the affairs of the charter school. A financial report or an audit under this section does not replace a financial report or an audit required under IC 5-11-1-9.

As added by P.L.169-2005, SEC.17.

IC 20-24-8-8

Federal or state aid for students with disabilities

Sec. 8. The state shall pay directly to a charter school any federal or state aid attributable to a student with a disability attending the charter school.

As added by P.L.280-2013, SEC.46.

IC 20-24-8-9

Establishment of charter school compact

Sec. 9. (a) Before July 1 of any year, a charter school and the governing body of the school corporation whose attendance area includes the charter school may enter into a compact in which the:

- (1) school corporation or charter school agrees to provide goods, facilities, services, or other consideration to the other party to the compact; and
- (2) charter school authorizes the school corporation to include the charter school's performance assessment results under IC 20-31-8 when calculating the school corporation's performance assessment.

(b) If a charter school and a governing body enter into a compact under subsection (a), the charter school and the governing body shall notify the department that a compact has been executed under this section within thirty (30) days after the compact is executed.

(c) Upon receipt of the notification under subsection (b), the department shall, for school years starting with the school year beginning in the calendar year in which the compact was executed, include the charter school's performance assessment results under

IC 20-31-8 when calculating the school corporation's performance assessment.

(d) A compact entered into under this section may not change the rights, duties, or responsibilities of an existing:

- (1) employment contract; or
- (2) collective bargaining agreement;

between a school employee and a school corporation or a charter school. An employee of a school corporation who provides services to a charter school remains an employee of the school corporation.

(e) This section may not be construed to prohibit any other agreement between a charter school and the governing body of the school corporation whose attendance area includes the charter school for goods, facilities, services, or other consideration.

As added by P.L.38-2014, SEC.2.

IC 20-24-9

Chapter 9. Oversight of Charter Schools; Reporting Requirements; Revocation of Charter

IC 20-24-9-1

Annual report to department

Sec. 1. (a) A authorizer that has established a charter school shall submit an annual report to the department and the state board for informational and research purposes. The authorizer shall make the annual report available on the authorizer's Internet web site.

(b) The department and state board shall make all annual reports submitted under subsection (a) available on the department's and state board's Internet web sites.

As added by P.L.1-2005, SEC.8. Amended by P.L.91-2011, SEC.21; P.L.33-2014, SEC.2.

IC 20-24-9-2

Annual report; contents

Sec. 2. An annual report under this chapter must contain the following information:

- (1) Results of all standardized testing, including ISTEP program testing, end of course assessments, and any other assessments used for each authorized school.
- (2) Student growth and improvement data for each authorized school.
- (3) Attendance rates for each authorized school.
- (4) Graduation rates (if appropriate), including attainment of Core 40 and academic honors diplomas for each authorized school.
- (5) Student enrollment data for each authorized school, including the following:
 - (A) The number of students enrolled.
 - (B) The number of students expelled.
- (6) Status of the authorizer's charter schools, identifying each of the authorizer's charter schools that are in the following categories:
 - (A) Approved but not yet open.
 - (B) Open and operating.
 - (C) Closed or having a charter that was not renewed, including:
 - (i) the year closed or not renewed; and
 - (ii) the reason for the closure or nonrenewal.
- (7) Names of the authorizer's board members or ultimate decision making body.
- (8) Evidence that the authorizer is in compliance with IC 20-24-2.2-1.5.
- (9) A report summarizing the total amount of administrative fees collected by the authorizer and how the fees were expended, if applicable.
- (10) Total amount of other fees or funds not included in the

report under subdivision (9) received by the authorizer from a charter school and how the fees or funds were expended.

(11) The most recent audits for each authorized school submitted to the authorizer under IC 5-11-1-9.

As added by P.L.1-2005, SEC.8. Amended by P.L.91-2011, SEC.22; P.L.280-2013, SEC.47; P.L.33-2014, SEC.3.

IC 20-24-9-3

Compliance with charter and laws; oversight by sponsor

Sec. 3. The authorizer shall oversee a charter school's compliance with:

- (1) the charter; and
- (2) all applicable laws.

As added by P.L.1-2005, SEC.8. Amended by P.L.280-2013, SEC.48.

IC 20-24-9-4

Revocation of charter

Sec. 4. Notwithstanding the provisions of the charter, an authorizer that grants a charter may revoke the charter at any time before the expiration of the term of the charter if, after the authorizer has notified the school and given reasonable time to correct the issue, the authorizer determines that at least one (1) of the following occurs:

- (1) The organizer fails to comply with the conditions or procedures established in the charter.
- (2) The charter school established by the organizer fails to meet the educational goals set forth in the charter.
- (3) The organizer fails to comply with all applicable laws.
- (4) The organizer fails to meet generally accepted fiscal management and government accounting principles.
- (5) One (1) or more grounds for revocation exist as specified in the charter.

As added by P.L.1-2005, SEC.8. Amended by P.L.280-2013, SEC.49.

IC 20-24-9-4.5

Charter school closure protocol

Sec. 4.5. (a) Before any charter school closure decision, an authorizer shall develop a charter school closure protocol to ensure timely notification to parents, orderly transition of students and student records to new schools, and proper disposition of school funds, property, and assets.

(b) If a charter school closes for any reason, the authorizer shall oversee and work with the closing charter school to ensure a smooth and orderly closure and transition for students and parents, as guided by the closure protocol.

As added by P.L.280-2013, SEC.50.

IC 20-24-9-5

Report to authorizer

Sec. 5. A charter school shall report the following to the authorizer:

- (1) Attendance records.
- (2) Student performance data.
- (3) Financial information.
- (4) Any information necessary to comply with state and federal government requirements.
- (5) Any other information specified in the charter.

As added by P.L.1-2005, SEC.8. Amended by P.L.280-2013, SEC.51.

IC 20-24-9-6

Annual performance report

Sec. 6. The organizer of a charter school shall publish an annual performance report that provides the information required under IC 20-20-8-8 in the same manner that a school corporation publishes an annual report under IC 20-20-8.

As added by P.L.1-2005, SEC.8.

IC 20-24-9-7

Internet publication of names of governing body members

Sec. 7. If an organizer of a charter school maintains an Internet web site for a charter school, the organizer of the charter school shall publish the names of the members of the charter school's governing body on the charter school's Internet web site.

As added by P.L.148-2012, SEC.1. Amended by P.L.13-2013, SEC.55; P.L.280-2013, SEC.52.

IC 20-24-10

Chapter 10. Student Transfers From Charter School to Public Noncharter Schools

IC 20-24-10-1

Transfer of students from charter to noncharter school; discrimination prohibited

Sec. 1. (a) A public noncharter school that receives a transfer student from a charter school may not discriminate against the student in any way, including by placing the student:

- (1) in an inappropriate age group according to the student's ability;
- (2) below the student's abilities; or
- (3) in a class where the student has already mastered the subject matter.

(b) If a student who previously was enrolled in a charter school enrolls in another public school, the public noncharter school shall accept all credits earned by the student in courses or instructional programs at the charter school in a uniform and consistent manner, according to the same criteria that are used to accept academic credits from other public schools.

As added by P.L.1-2005, SEC.8. Amended by P.L.91-2011, SEC.23.

IC 20-24-11

Chapter 11. Conversion of Existing Public Schools Into Charter Schools

IC 20-24-11-1

Conditions required for conversion

Sec. 1. (a) This section does not apply to an existing public elementary or secondary school that the governing body of the school corporation in which the school is located has scheduled for closure.

(b) An existing public elementary or secondary school may be converted into a charter school if all of the following conditions apply:

(1) At least fifty-one percent (51%) of the parents of students who attend the school have signed a petition requesting the conversion, which must be completed not later than ninety (90) days after the date of the first signature.

(2) The school has been placed in either of the two (2) lowest categories or designations under IC 20-31-8-3 for two (2) consecutive years.

(3) The governing body votes to convert an existing school within the school corporation.

(c) Notwithstanding subsection (b), if a governing body operates a school that has been placed in either of the two (2) lowest categories or designations under IC 20-31-8-3 for four (4) consecutive years, the governing body may not serve as that charter school's authorizer.

(d) A conversion charter school shall continue to comply with all legal requirements concerning student diversity and treatment of children with special needs and accept all students who attended the school before its conversion and who wish to attend the conversion charter school. If any space remains, any student in Indiana may attend the conversion charter school.

As added by P.L.1-2005, SEC.8. Amended by P.L.91-2011, SEC.24; P.L.280-2013, SEC.53.

IC 20-24-11-2

Repealed

(Repealed by P.L.91-2011, SEC.31.)

IC 20-24-11-3

Repealed

(Repealed by P.L.91-2011, SEC.31.)

IC 20-24-11-4

Repealed

(Repealed by P.L.91-2011, SEC.31.)

IC 20-24-12

Chapter 12. Charter School Facilities Assistance Program

IC 20-24-12-1

Establishment

Sec. 1. The charter school facilities assistance program is established.

As added by P.L.91-2011, SEC.25.

IC 20-24-12-2

Purpose

Sec. 2. The purpose of the program is to make grants and loans to charter schools for the purpose of:

- (1) constructing;
- (2) purchasing;
- (3) renovating;
- (4) maintaining;
- (5) paying first semester costs for new; and
- (6) reducing common school fund debt for;

charter schools.

As added by P.L.91-2011, SEC.25.

IC 20-24-12-3

Department to administer program

Sec. 3. The department shall administer the program.

As added by P.L.91-2011, SEC.25.

IC 20-24-12-4

Fund

Sec. 4. (a) The charter school facilities assistance fund is established. The department shall administer the fund.

(b) The fund consists of the following:

- (1) Money appropriated or authorized by the general assembly.
- (2) The repayment proceeds of loans made to charter schools from the fund.
- (3) Any gifts and grants made to the fund or other money required by law to be deposited in the fund.
- (4) Any federal grants that are received to capitalize or supplement the fund.
- (5) Any earnings on money in the fund.

(c) The expenses of administering the fund shall be paid from money in the fund.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(e) The fund may be used by the department as a revolving fund for the purposes described in section 2 of this chapter.

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

As added by P.L.91-2011, SEC.25.

IC 20-24-12-5**Federal funds**

Sec. 5. The department may apply to the United States Department of Education for a state charter school facilities incentive program grant authorized under 34 U.S.C. 7221d(b). The department shall use the proceeds of any state charter school facilities incentive program grant awarded to the state for purposes of the program. To the extent permitted by federal law, the proceeds may be used to pay the administrative expenses of the program.

As added by P.L.91-2011, SEC.25.

IC 20-24-12-6**Use of funds**

Sec. 6. The department may authorize money in the fund to be used for any of the following purposes:

- (1) To pay first semester costs for charter schools first opening after June 30, 2011.
- (2) To repay advances and loans to charter schools made before June 30, 2011.
- (3) To match federal grants described in IC 20-24-7-11(a).
- (4) To loan or grant money from the fund to a charter school to carry out the purposes described in section 2 of this chapter.

As added by P.L.91-2011, SEC.25.

IC 20-24-12-7**Procedures for providing grants and loans**

Sec. 7. (a) The department shall establish written procedures for providing grants or loans from the fund to charter schools. The written procedures must include at least the following:

- (1) An application procedure.
- (2) A procedure to identify projects that may qualify for a grant or loan.
- (3) Criteria for establishing the priority of projects for which grants or loans will be made.
- (4) Procedures for selecting projects for which grants or loans will be made.

(b) To apply for a grant or loan from the fund, a charter school must submit an application that contains the information required by the department.

As added by P.L.91-2011, SEC.25.

IC 20-24-12-8**Criteria for receiving grant or loan**

Sec. 8. In making its determination to approve or disapprove a grant or loan application, the department may consider the following:

- (1) The soundness of the financial business plans of the applicant charter school.
- (2) The availability to the charter school of other sources of funding.
- (3) The geographic distribution of grants or loans made from the

fund.

(4) The impact that grants or loans received under this chapter will have on the charter school's receipt of other private and public financing.

(5) Plans for innovatively enhancing or leveraging funds received under this chapter, such as loan guarantees or other types of credit enhancements.

(6) The financial needs of the charter school.

As added by P.L.91-2011, SEC.25.

IC 20-24-12-9

Grant or loan on per student basis

Sec. 9. The department may make grants or loans under this chapter on a per student basis.

As added by P.L.91-2011, SEC.25.

IC 20-24-12-10

Conditions applying to loan

Sec. 10. The following apply to a loan from the fund to a charter school under this chapter:

(1) A loan may not exceed the maximum amount set by the department.

(2) The term of the loan may not exceed fifteen (15) years after the date of the loan.

(3) A charter school may receive multiple loans from the fund as long as the total amount outstanding on all loans granted to the charter school from the fund does not exceed the maximum amount set by the department.

(4) The department shall determine the interest rate and other terms for the loan, subject to the approval of the state board of finance.

(5) A charter school must enter into a loan agreement with the department before receiving a loan from the fund.

As added by P.L.91-2011, SEC.25. Amended by P.L.6-2012, SEC.130.

IC 20-24-12-11

Repayment of loans

Sec. 11. A charter school receiving a loan under this chapter shall repay the loan from:

(1) the amount of state tuition support that the charter school is eligible to receive; and

(2) to the extent that state tuition support is insufficient to meet the debt service obligations of the charter school, other resources available to the charter school.

As added by P.L.91-2011, SEC.25.

IC 20-24-12-12

Department to withhold loan repayments

Sec. 12. The department shall withhold the amount of the balance

of the loan due in a year on a loan made under this chapter from state tuition support distributions that would otherwise be made in the year to the charter school. To the extent possible, the department shall withhold an equal amount from each installment of state tuition support distributed to the charter school. Withheld amounts reduce the balance of the loan of the charter school. The auditor of state shall transfer withheld amounts to the fund.

As added by P.L.91-2011, SEC.25.