

AUDIT GUIDE: PERFORMANCE CONTRACT

1. For existing charter schools, **update goals** with metrics and indicators that reflect new terminology and new state systems.
2. For new charter applicants and when school enter into renewal contracts, **include provisions that make contracts adaptable to future changes** in state systems for teacher quality and school/district accountability.*
3. **Share this with your lawyer.**

ESSA Impact

Title I

Title II & Title III forthcoming

Contract Updates**

Content Standards (p. 9)

- College- and career-ready learning standards Update standards in accordance with state law.

Student Assessment (p. 10)

- Annual testing requirements in reading and math; grade span testing in science
- **New:** If allowed in State ESSA plan, flexibility in high school assessment Update state testing requirements in accordance with state law and/or state ESSA plan (when approved).

Teacher Quality (p. 10)

- **Eliminated:** Highly Qualified Teacher requirements
- **New:** State plans for equitable access to “effective teaching”
- Teacher evaluation systems Update teacher quality references for conformity with (1) the elimination of the HQT definition and requirement; (2) new or modified teacher evaluation systems; and (3) new state plans to ensure equitable access to effective teachers.

Instruction of English Learners (p. 10)

- **New:** Reporting on progress of English learners toward English proficiency Ensure that school performance standards include an indicator on English language acquisition.

Achievement Standards (p. 11-12)

- **Eliminated:** AYP and universal proficiency requirements
- **New:** Nonacademic measure of school quality
- Charter school accountability governed by state law Update contract terms to align with new state metrics for school quality and state accountability performance goals and/or thresholds.

Performance Audits and Evaluation (p. 12)

- Annual state and LEA report cards *If State charter law or state ESSA plans do not adequately or explicitly address this subject, revisit transmittal deadlines and n-size for documentation required from school for the annual performance review.*

Interventions, Termination, Dissolution (p. 22-23)

- Identification, support and intervention for the state's lowest-performing schools

If State charter law or state ESSA plans do not adequately or explicitly address this subject, reinforce contract language that empowers the authorizer to close the lowest-performing schools in accordance with state charter school law and the terms of the school's charter contract.

Consider adding language to the contract such as: "As consistent with state law, the decision of the Authorizer's Board of Directors to terminate this charter supersedes any notification from the State that such school must implement a comprehensive support and improvement plan or targeted support and improvement plan."

Expenditure Reporting

- **New:** Per pupil expenditure reporting at the school level

Update financial reporting requirements in accordance with state requirements for school and district financial accounting and reporting.

Next step: Rollout plan. Work with your lawyer to independently review your existing charter contracts, and any template in use for new and renewal contracts, to determine the scope of work. Some contracts may need very little modification, while others will require a more significant overhaul. Once you have a clearer sense of what changes must be made, think through the following: (1) the timing and type of notice you will provide to each school; (2) State Education Agency (SEA) or other third-party involvement in the amendment process; (3) continuity of oversight in the transition to new contract terms; and (4) the dispute resolution process in the event that the parties disagree on specific amendments.

* Due to potentially sweeping changes regarding testing requirements and other accountability standards going forward, contract language should be adaptable in all key Title 1 areas, especially teacher quality, student assessment, and achievement standards. "Adaptable accountability language" requires the school to be bound by existing state and federal accountability laws, and any applicable modification or amendments to such laws upon the effective date of said modification or amendments. Sample language can be found on pg. 12 of the NACSA Core Resource: Core Charter School Contract.

**NACSA Core Resource: Core Charter School Contract