

1 STATE OF OKLAHOMA

2 2nd Session of the 57th Legislature (2020)

3 HOUSE BILL 3065

By: Kiger

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5
6 AS INTRODUCED

7 An Act relating to schools; amending 70 O.S. 2011,
8 Section 3-142, as last amended by Section 6, Chapter
9 170, O.S.L. 2015 (70 O.S. Supp. 2019, Section 3-142),
10 which relates to charter school funding; limiting the
11 total dollar amount receivable by virtual charter
12 schools; amending Section 5, Chapter 367, O.S.L.
13 2012, as last amended by Section 1, Chapter 272,
14 O.S.L. 2019 (70 O.S. Supp. 2019, Section 3-145.3),
15 which relates to the Statewide Virtual Charter School
16 Board; limiting the total dollar amount receivable by
17 virtual charter schools; and providing an effective
18 date.

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

20 SECTION 1. AMENDATORY 70 O.S. 2011, Section 3-142, as
21 last amended by Section 6, Chapter 170, O.S.L. 2015 (70 O.S. Supp.
22 2019, Section 3-142), is amended to read as follows:

23 Section 3-142. A. For purposes of funding, a charter school
24 sponsored by a board of education of a school district shall be
considered a site within the school district in which the charter
school is located. The student membership of the charter school
shall be considered separate from the student membership of the
district in which the charter school is located for the purpose of

1 calculating weighted average daily membership pursuant to Section
2 18-201.1 of this title and State Aid pursuant to Section 18-200.1 of
3 this title. For charter schools sponsored by a board of education
4 of a school district, the sum of the separate calculations for the
5 charter school and the school district shall be used to determine
6 the total State Aid allocation for the district in which the charter
7 school is located. A charter school shall receive from the
8 sponsoring school district, the State Aid allocation and any other
9 state-appropriated revenue generated by its students for the
10 applicable year, less up to five percent (5%) of the State Aid
11 allocation, which may be retained by the school district as a fee
12 for administrative services rendered. For charter schools sponsored
13 by the board of education of a technology center school district, a
14 higher education institution, the State Board of Education, or a
15 federally recognized Indian tribe and for statewide virtual charter
16 schools sponsored by the Statewide Virtual Charter School Board, the
17 State Aid allocation for the charter school shall be distributed by
18 the State Board of Education and not more than five percent (5%) of
19 the State Aid allocation may be charged by the sponsor as a fee for
20 administrative services rendered. The State Board of Education
21 shall determine the policy and procedure for making payments to a
22 charter school. The fee for administrative services as authorized
23 in this subsection shall only be assessed on the State Aid

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1 allocation amount and shall not be assessed on any other
2 appropriated amounts.

3 B. 1. The weighted average daily membership for the first year
4 of operation of a charter school shall be determined initially by
5 multiplying the actual enrollment of students as of August 1 by
6 1.333. The charter school shall receive revenue equal to that which
7 would be generated by the estimated weighted average daily
8 membership calculated pursuant to this paragraph. At midyear, the
9 allocation for the charter school shall be adjusted using the first
10 quarter weighted average daily membership for the charter school
11 calculated pursuant to subsection A of this section.

12 2. For the purpose of calculating weighted average daily
13 membership pursuant to Section 18-201.1 of this title and State Aid
14 pursuant to Section 18-200.1 of this title, the weighted average
15 daily membership for the first year of operation and each year
16 thereafter of a full-time virtual charter school shall be determined
17 by multiplying the actual enrollment of students as of August 1 by
18 1.333. The full-time virtual charter school shall receive revenue
19 equal to that which would be generated by the estimated weighted
20 average daily membership calculated pursuant to this paragraph,
21 provided that the total funding received by a full-time virtual
22 charter school from all public and private sources shall not exceed
23 an amount equivalent to Three Thousand Five Hundred Dollars
24 (\$3,500.00) per student. At midyear, the allocation for the full-

1 time virtual charter school shall be adjusted using the first
2 quarter weighted average daily membership for the virtual charter
3 school calculated pursuant to subsection A of this section, provided
4 that such adjustment does not cause the full-time virtual charter
5 school to receive funds in excess of Three Thousand Five Hundred
6 Dollars (\$3,500.00) per student.

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

16 D. A charter school, in addition to the money received from the
17 state, may receive money from any other source. Any unexpended
18 funds may be reserved and used for future purposes. The governing
19 body of a charter school shall not levy taxes or issue bonds. If
20 otherwise allowed by law, the governing body of a charter school may
21 enter into private contracts for the purposes of borrowing money
22 from lenders. If the governing body of the charter school borrows
23 money, the charter school shall be solely responsible for repaying
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1 the debt, and the state or the sponsor shall not in any way be
2 responsible or obligated to repay the debt.

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

5 SECTION 2. AMENDATORY Section 5, Chapter 367, O.S.L.
6 2012, as last amended by Section 1, Chapter 272, O.S.L. 2019 (70
7 O.S. Supp. 2019, Section 3-145.3), is amended to read as follows:

8 Section 3-145.3 A. Subject to the requirements of the Oklahoma
9 Charter Schools Act, the Statewide Virtual Charter School Board
10 shall:

11 1. Provide oversight of the operations of statewide virtual
12 charter schools in this state;

13 2. Establish a procedure for accepting, approving and
14 disapproving statewide virtual charter school applications and a
15 process for renewal or revocation of approved charter school
16 contracts which minimally meet the procedures set forth in the
17 Oklahoma Charter Schools Act;

18 3. Make publicly available a list of supplemental online
19 courses which have been reviewed and certified by the Statewide
20 Virtual Charter School Board to ensure that the courses are high
21 quality options and are aligned with the subject matter standards
22 adopted by the State Board of Education pursuant to Section 11-103.6
23 of this title. The Statewide Virtual Charter School Board shall
24 give special emphasis on listing supplemental online courses in

1 science, technology, engineering and math (STEM), foreign language
2 and advanced placement courses. School districts shall not be
3 limited to selecting supplemental online courses that have been
4 reviewed and certified by the Statewide Virtual Charter School Board
5 and listed as provided for in this paragraph; and

6 4. In conjunction with the Office of Management and Enterprise
7 Services, negotiate and enter into contracts with supplemental
8 online course providers to offer a state rate price to school
9 districts for supplemental online courses that have been reviewed
10 and certified by the Statewide Virtual Charter School Board and
11 listed as provided for in paragraph 3 of this subsection.

12 B. Each statewide virtual charter school which has been
13 approved and sponsored by the Board or any virtual charter school
14 for which the Board has assumed sponsorship of as provided for in
15 Section 3-145.5 of this title shall be considered a statewide
16 virtual charter school and the geographic boundaries of each
17 statewide virtual charter school shall be the borders of the state.

18 C. Each statewide virtual charter school approved by the
19 Statewide Virtual Charter School Board shall be eligible to receive
20 federal funds generated by students enrolled in the charter school
21 for the applicable year, provided that the total funding received by
22 a virtual charter school from all public and private sources shall
23 not exceed an amount equivalent to Three Thousand Five Hundred
24 Dollars (\$3,500.00) per student. Each statewide virtual charter

1 school shall be considered a separate local education agency for
2 purposes of reporting and accountability.

3 D. As calculated as provided for in Section 3-142 of this
4 title, a statewide virtual charter school shall receive the State
5 Aid allocation and any other state-appropriated revenue generated by
6 students enrolled in the virtual charter school for the applicable
7 year, less up to five percent (5%) of the State Aid allocation,
8 which may be retained by the Statewide Virtual Charter School Board
9 for administrative expenses and to support the mission of the Board.
10 A statewide virtual charter school shall be eligible for any other
11 funding any other charter school is eligible for as provided for in
12 Section 3-142 of this title, provided that any such additional
13 funding does not cause the virtual charter school to receive funds
14 in excess of Three Thousand Five Hundred Dollars (\$3,500.00) per
15 student. Each statewide virtual charter school shall be considered
16 a separate local education agency for purposes of reporting and
17 accountability.

18 E. A virtual charter school shall be subject to the same
19 reporting requirements, financial audits, audit procedures and audit
20 requirements as a school district. The State Department of
21 Education or State Auditor and Inspector may conduct financial,
22 program or compliance audits. A virtual charter school shall use
23 the Oklahoma Cost Accounting System (OCAS) to report financial
24 transactions to the State Department of Education.

1 F. A virtual charter school governing body shall be responsible
2 for the policies that govern the operational decisions of the
3 virtual charter school. The governing body of a virtual charter
4 school shall be subject to the same conflict of interest
5 requirements as a member of a local school board including, but not
6 limited to, Sections 5-113 and 5-124 of this title. Members
7 appointed to the governing body of a virtual charter school after
8 July 1, 2019, shall be subject to the same instruction and
9 continuing education requirements as a member of a local school
10 board and pursuant to Section 5-110 of this title, complete twelve
11 (12) hours of instruction within fifteen (15) months of appointment
12 to the governing body, and pursuant to Section 5-110.1 of this
13 title, attend continuing education.

14 G. Students enrolled full-time in a statewide virtual charter
15 school sponsored by the Statewide Virtual Charter School Board shall
16 not be authorized to participate in any activities administered by
17 the Oklahoma Secondary Schools Activities Association. However, the
18 students may participate in intramural activities sponsored by a
19 statewide virtual charter school, an online provider for the charter
20 school or any other outside organization.

21 H. The decision of the Statewide Virtual Charter School Board
22 to deny, nonrenew or terminate the charter contract of a statewide
23 virtual charter school may be appealed to the State Board of
24 Education within thirty (30) days of the decision by the Statewide

1 Virtual Charter School Board. The State Board of Education shall
2 act on the appeal within sixty (60) days of receipt of the request
3 from the statewide virtual charter school applicant. The State
4 Board of Education may reverse the decision of the Statewide Virtual
5 Charter School Board or may remand the matter back to the Statewide
6 Virtual Charter School Board for further proceeding as directed.

7 SECTION 3. This act shall become effective November 1, 2020.

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