



Periodic Review  
of  
State Charter School  
Performance

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## Introduction: The Purpose of Periodic Reviews

The State Charter Schools Commission of Georgia (SCSC) is required by law to annually monitor and review state charter schools and hold them accountable for their performance. O.C.G.A. § 20-2-2083(b)(4) and SCSC Rule 691-2-.03 *State Charter School Monitoring*. This periodic review by the SCSC is one of many tools that Georgia utilizes to hold state charter schools accountable for acting in a manner that promotes the health, safety and education of all children. Additionally, periodic reviews by the SCSC help to ensure accountability for the proper use of taxpayer funding by state charter schools. Finally, SCSC periodic reviews help promote high-quality charter schools by identifying concerns, incentivizing schools to timely correct noncompliance, and closing schools that fail to meet legal or contractual standards.

The SCSC will annually assess each state charter school to determine whether the school is meeting the terms of the school's charter performance contract and meeting or exceeding the student academic achievement requirements and goals for the school as set forth in its charter contract, applicable law, and SCSC rule and policies. As provided in SCSC rule and each state charter school contract, the results of SCSC periodic reviews will be reflected through the SCSC Comprehensive Performance Framework (CPF). The SCSC will annually review the academic, financial, and operational performance of each state charter school through the measures and indicators outlined in the SCSC CPF. The SCSC will take appropriate action and impose meaningful consequences on a state charter school if the school fails to meet the expectations of the SCSC as demonstrated through the school's performance on the SCSC CPF. The consequences that may be imposed on schools by the SCSC include, but are not limited to, corrective action to comply with applicable rule or law; required subject-specific training; restriction, reduction, or ineligibility of SCSC grant funding; and termination of a school's charter contract. **SCSC periodic reviews and CPF determinations will be conducted annually and the SCSC will take appropriate actions and impose consequences based on its review regardless of the term of a school's charter contract.**

Please note that the purpose of SCSC periodic reviews is not to infringe upon a state charter school's autonomy or flexibility. Rather, SCSC monitoring is one method by which the SCSC fulfills its statutory duty of holding state charter schools accountable, and to ensure that state charter schools are constantly improving to provide students a better educational opportunity than traditional school districts. The SCSC is committed to supporting state charter schools in meeting their academic, financial, and operational expectations in a manner that respects school autonomy. SCSC periodic reviews allow the SCSC to identify additional trainings and supports that may be helpful to resolve persistent problems in state charters schools while also providing an opportunity to impose meaningful consequences on charter schools when necessary.

## Alignment of Periodic Reviews to the SCSC Comprehensive Performance Framework

Charter school authorizers utilize performance frameworks to establish standards for school performance that are clear, quantifiable, rigorous, and attainable. The SCSC Comprehensive Performance Framework (CPF) includes academic, financial, and organizational performance

measures that establish expectations, guide practice, assess progress, and inform decision making over the course of the charter term and at renewal or revocation.

The three areas of performance covered by the frameworks—academic achievement, financial management, and organizational compliance— correspond directly with the three components of a high-quality charter school application as well as the three areas on which a charter school’s performance should be evaluated. In each of the three areas, the framework asks a fundamental question:

1. Academic Performance: Is the educational program offering students a better educational opportunity than they would otherwise receive at a traditional public school?
2. Financial Performance: Is the school financially viable?
3. Organizational Performance: Is the organization effective, compliant, and well-run?

### Periodic Review of Academic Performance

Each year the SCSC will review a state charter school’s academic performance using both absolute academic achievement and student growth measures. The SCSC review of academic performance includes performance on assessments and student growth measures included in the Georgia’s College and Career Readiness Index (CCRPI) – Georgia’s measure of school accountability under the Single Statewide Accountability System – as well as an independent measure of student growth under the SCSC Value-Added Measure (VAM) that is calculated by the Governor’s Office of Student Achievement. For a school to meet the academic performance expectations of its charter contract, the school must outperform its comparison district in either academic achievement or student growth as measured by the CPF.

More specifically, there are four ways in which a school will meet academic performance expectations.

1. The state charter school exceeds the average performance level of the district(s) within its attendance zone in terms of student achievement on state standardized assessments (grade-band CCRPI Achievement Score);
2. The state charter school exceeds the average performance level of the district(s) within its attendance zone in terms of student growth (grade-band CCRPI Growth and Achievement Gap Closure Scores);
3. The state charter school has a higher CCRPI single score than the average CCRPI single score of the district(s) it serves; or
4. The state charter school has a positive VAM impact score in relation to value-add impact score of the district(s) it serves in all relevant grade bands.

More information regarding SCSC academic expectations and school academic performance, including specific indicators and weights of the CPF, is available on the SCSC website [here](#).

## Periodic Review of Financial Performance

State charter schools are required by law to obtain an independent financial audit every fiscal year. The results of that independent audit, including the school's financial statements, serve as the basis of the SCSC's periodic review of school financial performance. The purpose of the SCSC's periodic review of a school's financial performance is to determine if the school is fiscally responsible and financially viable.

The SCSC's periodic review of school financial performance includes both near-term and long-term measures of financial responsibility and viability. Near-term financial measures reviewed by the SCSC include current ratio, unrestricted days cash, and student enrollment variances. Long-term financial measures reviewed by the SCSC include a three-year efficiency margin and debt-to-asset ratio. Each financial measure reviewed by the SCSC includes specific thresholds, established by national best practices, that indicate whether a state charter is fiscally responsible and financially viable.

More information regarding SCSC financial expectations and school financial performance, including specific indicators and weights of the CPF, is available on the SCSC website [here](#).

## Periodic Review of Operational Performance

Every year the SCSC will utilize a variety of methods to review and assess a school's operational performance to determine if the organization is effective, compliant, and well-run. School operational measures are grouped into six broad categories with specific indicators and measures aimed to ensure that the school operates in compliance with applicable laws, rules, and contractual provisions. The SCSC annually reviews measures of school operations within the following areas:

1. The school's educational program, such as adherence to its essential or innovative features and implementation of required programs;
2. Financial oversight such as adherence to GAAP standards;
3. Governance capacity and transparency;
4. Protecting students and employees through the appropriate use of compensatory programs and employee qualifications;
5. Maintaining a positive school environment by promoting student retention and support services; and
6. Any additional obligations including the timely remediation of previous noncompliance.

To assess a state charter school's operational performance in all areas of operations, the SCSC undertakes specific monitoring activities that occur throughout the school year. SCSC monitoring activities that contribute to its periodic review of school operational performance include:

- Unannounced site visits: During this visit, SCSC staff will be onsite for at least one school day and will need to speak to individuals knowledgeable about the schools' operations and finances, which may include the School Leader or his/her designee. Following the visit, SCSC staff may request additional documents or records to facilitate comprehensive monitoring.
- Unannounced attendance at governing board meetings: SCSC staff may observe a board meeting to ensure that the meeting is conducted in accordance with Georgia's Open Meetings Act and other charter school governance best practices.
- Website reviews: SCSC staff will review each school's website to ensure that the information it provides to stakeholders regarding governance, the admissions process, special education, and other areas is accurate and consistent with applicable law and regulations.
- Documentation reviews: SCSC staff requests various forms of documentation as part of its monitoring activities. Staff reviews this information to ensure that it is accurate and consistent with applicable law and regulations. For example, SCSC staff will review a school's admission application to ensure it complies with open enrollment requirements. It is critical that schools provide the most up-to-date documents requested by SCSC staff as all documents the school provides will be reviewed for compliance with applicable law. Stating that the school provided documentation that is no longer valid in response to an SCSC request is not a persuasive argument against a finding of noncompliance.
- Case-by-case action in response to concerns expressed to the SCSC: The SCSC takes stakeholder concerns very seriously. SCSC staff carefully reviews all complaints submitted and, on a case-by-case basis, may reach out to schools for additional information. In the event that the SCSC determines the school has violated applicable law and/or regulations, SCSC staff will inform the school of the violation and require correction.
- Monitoring of other agencies: State charter schools conduct programs that are monitored by state or federal agencies other than the SCSC. The programs include, but are not limited to, federal Title Programs, activities under the Individuals with Disabilities Education Act (IDEA), and school nutrition programs. The SCSC receives notification when a state charter school is found out of compliance when monitored by other agencies. The SCSC will ensure the school's CPF results reflect any noncompliance, and the SCSC will monitor the school's implementation of required corrective action.
- Independent Audit: SCSC staff reviews each school's annual independent audit conducted pursuant to O.C.G.A. § 20-2-2065(b)(7). To the extent a school's audit notes a material weakness, noncompliance with applicable law or Generally Acceptable Accounting Principles, or any other adverse statement, the school's CPF will reflect the noncompliance and SCSC staff will monitor the school's correction of the issue.

More information regarding SCSC operational expectations and school operational performance, including specific indicators and weights of the CPF, is available on the SCSC website [here](#). Additionally, more information regarding the methods by which the SCSC gathers information as part of its periodic review of operational performance is available on the SCSC website [here](#).

## SCSC Actions and School Consequences

The SCSC will conduct a periodic review of state charter school academic, financial, and operational performance in each year of the school's operation. Based on the results of each periodic review, the SCSC will take appropriate action and impose consequences on schools as determined by the SCSC. The SCSC will impose consequences, including charter termination, in any year of the charter contract in which they are merited regardless of the term of the charter contract. Specific actions that the SCSC may take and school consequences that may be imposed include, but are not limited to:

- **School Performance Review Presentation**: If a state charter school fails to meet at least one area of expectations (academic, financial, or operational) in an SCSC periodic review, the school will be expected to present a plan of action to SCSC commissioners at a public commission meeting that will outline the steps the school will take to improve performance in all areas of deficiency.
- **Corrective Action Plans**: If the SCSC identifies that a state charter school is not in compliance with applicable law, rule, or regulation, the state charter school will be required to produce a written corrective action plan that is sufficiently detailed to allow the SCSC staff to determine how the school will remediate the issue and when the school will be in full compliance with applicable law. The SCSC will conduct additional monitoring of the school to determine if the corrective action has been completed and whether the school remediated its noncompliance. Any failure by the school to fulfill its corrective action will result in additional consequences, including charter termination.
- **Required Training**: If the SCSC identifies systemic failures that can be improved or eliminated through subject-specific training, the SCSC may require state charter school governing board members or staff to attend specified trainings and display improved practices as measured by increased performance.
- **Restriction on Expansion**: State charter schools that are not able to demonstrate academic, financial, and operational effectiveness through SCSC periodic reviews will not be permitted to expand operations. The SCSC will not approve expansion of grade levels, an increase in student population, or additional school sites or locations if the school does not meet performance measures in the outlined in the CPF and confirmed through SCSC periodic review.
- **Restriction of Grant Funding**: The SCSC provides grants to schools for both specific and general purposes; however, if the SCSC identifies areas of noncompliance or issues of concern as part of its periodic review, the SCSC will reduce, restrict, or eliminate a school's access to SCSC grant funding. For example, if the SCSC identifies possible financial mismanagement as part of its periodic review, the

SCSC may require the school to utilize a portion of the SCSC Administration Refund Grant to hire an independent forensic auditor.

- Reduction of State or Federal Funding: If the SCSC, or another state or federal agency, identifies noncompliance with rule or law that requires the return or withholding of state or federal funding, the SCSC will cooperate with all appropriate parties and implement its contractual authorities to ensure the proper use of public funding.
- Charter Termination: If the SCSC's periodic review indicates that a state charter school is in material breach of its charter contract, including failing to consistently meet academic, financial, and operational performance expectations, the SCSC will initiate charter termination proceedings. The SCSC will also initiate charter termination proceedings if the SCSC periodic review reveals grounds for termination outlined in Georgia law or the school's charter contract, including, but not limited to, the school's failure to adhere to generally accepted fiscal management or if the continued existence of the school is contrary to the best interest of its students or community.

The SCSC will identify and implement consequences as outlined in the charter contract and in proportion to a school's noncompliance. State charter schools that demonstrate the ability to remedy noncompliance within their autonomy will remain in good standing and be eligible for charter contract renewal. State charter schools that are not able to improve noncompliance will receive additional and more severe consequences imposed by the SCSC. The SCSC will initiate charter termination proceedings if merited by the SCSC periodic review or other circumstances regarding the school's operation. The SCSC will initiate charter termination proceedings without regard to the term of the school's charter contract.

## Conclusion

The SCSC is committed to ensuring state charter schools meet academic, financial, and operational standards that promote high-quality charter schools that will provide better educational outcomes for their students. In so doing, the SCSC conducts periodic reviews every school year to measure school performance. The SCSC periodic review encompasses the standards within the SCSC Comprehensive Performance Framework and utilizes information from student academic performance, independent financial audits, and operational monitoring. The results of the SCSC periodic review will be provided to each state charter school as early as practicable, and the SCSC will take appropriate actions and impose consequences based on the results of the review.