



Wisconsin Charter School Authorizer Annual Report Technical Assistance

August 2023

Submission of this information for the 2022-23 school year is required under s.118.40(3m)(f), Wis. Stats, for all Districts and independent charter school ("ICS") authorizers regardless of whether a school was under contract during the 2022-23 year. This includes a district or ICS authorizer that considered a charter petition or had any charter schools open in 2022-23, even if all the charters in the district or ICS authorizer portfolio are closed in the 2023-24 academic year.

Created under 2015 Act 55, s. 118.40(3m)(f), Wis. Stats., requires charter school authorizers to submit to the Department of Public Instruction (DPI) and to the legislature an annual report containing information on charter schools currently under contract, contract renewals, non-renewals, revocations, new contracts, performance of charter schools, authorizer operating costs and services provided to charter schools. This document provides reporting instruction and additional information for each of these requirements.

Any general questions regarding the report or authorizer duties under s. 118.40(3m)(a) to (e), Wis. Stats., may be directed to Alexander B. Roberson via email at Alexander.Roberson@dpi.wi.gov or via phone at 608-266-0452.

Report Completion Directions:

Charter school authorizers may choose to create a custom report that complies with s. 118.40(3m)(f), Wis. Stats., or use the charter school authorizer annual report template available at <http://dpi.wi.gov/sms/charter-schools/information-authorizers>.

Report Submission Directions:

Charter school authorizers must annually submit a report to the DPI *and* to the legislature. The report should be submitted annually by each December 15 following the school year. **The report for the 2022-2023 school year is due December 15, 2023.**

To submit the report to the DPI, it is preferred that the complete report be scanned as a single PDF file and emailed to the Parental Education Options Charter School Team via email at charterschools@dpi.wi.gov.

Alternatively, a physical copy of the report can be mailed as follows:

Parental Education Options Team – Charter Schools Wisconsin Department of Public Instruction P.O. Box 7841 Madison, Wisconsin 53707
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To submit the report to the legislature s. 13.172(2), Wis. Stats., requires the report to be submitted to the chief clerk of each house of the legislature. The Chief Clerks have designated the report be submitted to below listed staff:

Erin Gillitzer Staff Clerk P.O. Box 7882 Madison, Wisconsin 53707 erin.gillitzer@legis.wisconsin.gov	Julie Martyn Assembly Journal Clerk 17 West Main Street, Suite 401 Madison, Wisconsin 53703 Julie.Martyn@legis.wisconsin.gov
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Wisconsin Charter School Authorizer Annual Report Requirements

Below is a description of each of the statutory requirements that must be included in the charter school authorizer annual report. For authorizers using DPI's template, the section identifiers below refer to the sections within the charter school authorizer annual report template available at <http://dpi.wi.gov/sms/charter-schools/information-authorizers>.

Section I: Authorizer Information

Provide authorizer entity, address, contact name and information.

Section II: Charter School Information

For **Charter Schools Currently Operating Under Contract in 2022-2023**, provide information for all charter schools currently authorized and open during this academic year. These may be schools that opened in 2022-23 or schools whose contracts extend through 2022-23. Provide the governing board's legal entity name. For example, ABC Charter School may be governed by *Friends of ABC Charter School, Inc.* This is the entity information filed with the Wisconsin Department of Financial Institutions. Please provide the contract term dates (e.g., 07/01/2022-06/30/2027). Please provide the grades that the charter school is currently serving during this academic year.

For **Charter Schools with Non-Renewed or Revoked Contract during 2022-2023**, provide information on charter schools that were under contract with the authorizer who had their contract nonrenewed or revoked. These are charter schools whose contract was not renewed or who were closed by authorizer action during the previous academic year. Please provide the contract term dates (e.g., 07/01/20XX-06/30/20XX). Provide the governing board's legal entity name. For example, ABC Charter School may be governed by *Friends of ABC Charter School, Inc.* Please include a reason for non-renewal or revocation (e.g., low enrollment; poor academic performance; became a program; operational misfeasance or malfeasance).

For **Charter Schools that Closed During or at the Conclusion of 2022-2023**, provide information regarding charter schools that were under contract with the authorizer that closed due to charter school governing board action. Distinguish these schools from those listed above which were non-renewed or revoked by the authorizer. Provide the governing board's legal entity name. For example, ABC Charter School may be governed by *Friends of ABC Charter School, Inc.* Please provide the contract term dates (e.g., 07/01/20XX-06/30/20XX). Please include a reason for non-renewal or revocation (e.g., low enrollment; poor academic performance; funding).

Lastly, for **Charter Schools Approved During 2022-2023**, provide information on those that have a contract and have not yet opened. Typically, these are schools that have taken a planning year. Provide the governing board's legal entity name. For example, ABC Charter School may be governed by *Friends of ABC Charter School, Inc.* Please provide the contract term dates (e.g., 07/01/20XX-06/30/20XX). Please include the academic year (e.g., 2024-2025) during which the school anticipates opening.

Please note that because these schools are approved but are not yet open, the start date of the contract term may not match the start date for the anticipated first year of instruction. For example, a contract may have term dates of 07/01/2023-6/30/2028, and the anticipated first year of instruction is the 2024-25 school year.

Section III: Academic Performance of Charter Schools

Provide a summary of the academic performance of each charter school that operated during the 2022-23 school year. This may include school-level results from the state assessments or local assessments administered. The summary of each charter school's academic performance may also include a discussion of the extent to which the charter school has satisfied the academic performance standards stipulated in the charter contract.

Section IV: Financial Performance of Charter Schools

Provide a summary of the financial performance of each charter school that operated during the 2022-23 school year. The summary of each charter school's financial performance may include copies or schedules from the charter school's annual audit and/or a discussion of the extent to which the charter school has satisfied the financial performance standards stipulated in the charter contract.

Note: Pursuant to s. 118.40(3m)(b), Wis. Stats., all authorizers must consider the Principles and Standards of Quality Authorizing developed by the National Association of Charter School Authorizers (NACSA). These principles and standards require, among other things, that authorizers define academic and financial standards and collect data from each charter school which should drive the ongoing academic and financial monitoring of schools and inform decisions of renewal or revocation. See <http://www.qualitycharters.org/for-authorizers/principles-and-standards/> for more information.

Section V: Other Contract Terms and Expectations (Optional)

Provide a summary and discussion of any additional contract terms or expectations that the authorizer deems relevant to its report on the overall performance of the charter schools it authorizes.

Section VI: GAAP Audited Financial Statement of Authorizer Operating Costs

Provide a detailed audited financial statement prepared in accordance with Generally Accepted Accounting Principles (GAAP), that specifies the operating costs the authorizing entity incurred while fulfilling its duties under s. 118.40(3m)(a) to (e), Wis. Stats., which include:

- Soliciting and evaluating charter school applications,
- Considering the principles and standards for quality authorizing established by the National Association of Charter School Authorizers,
- Giving preference in the awarding of contracts for the operation of charter school that serve children at risk,
- Approving high-quality charter schools that meet identified educational needs and promote a diversity of educational choices, and
- Monitoring the performance and compliance with s. 118.40, Wis. Stats., of each charter school with which it contracts.

Instructions for Reporting Operating Costs:

Specify the operating costs the authorizing entity incurred while fulfilling its duties under s. 118.40(3m)(a) to (e), Wis. Stats. Authorizers may use the supplemental schedule template provided to satisfy this requirement. The schedule utilizes WUFAR object and function codes for reporting. The use of these codes is not required and can be adjusted as needed. For a description of each operating activity listed in the supplemental schedule, see the WUFAR manual at <http://dpi.wi.gov/sfs/finances/wufar/overview>. It is recommended that WUFAR Function Code

235000 be used to report charter authorizer operating costs.

Examples of the types of costs that should be reported in the schedule of authorizer operating costs include but are not limited to: costs incurred by the authorizer to oversee and monitor its charter schools (i.e. salary and fringe for individuals who assume these duties); costs incurred soliciting, receiving, and reviewing applications for new charter schools (i.e. salary and fringe for individuals who assume these duties which may include administrative staff, business office staff, legal staff, etc.); costs incurred completing and analyzing charter school data for the purpose of making renewal and revocation decisions; and any additional costs associated with duties under Wis. Stats. 118.40(3m)(a) to (e) above.

Costs that *should not* be included in the schedule of authorizer operating costs include salary and fringe for the teachers at the charter school, costs of charter school transportation, curriculum services, food service, etc. Only costs associated with the authorizer fulfilling its duties should be reported in this schedule.

For school district authorizers: The schedule of authorizer operating costs should be included as a supplemental schedule to the school district's annual audited financial statements. An independent auditor must perform audit procedures on the schedule of authorizer operating costs and express an opinion in the independent auditor's report. The school district's annual audited financial statements, including the schedule of authorizer operating costs, must be annually submitted to the DPI School Financial Services team by December 15. The schedule of authorizer operating costs from the submitted annual audited financial statements must also be included in the charter school authorizer annual report.

For non-school district authorizers: The schedule of authorizer operating costs should be included as a supplemental schedule to the authorizing entity's annual audited financial statements or as an audited stand-alone financial statement. An independent auditor must perform audit procedures on the schedule of authorizer operating costs and express an opinion in the independent auditors' report. The entity's annual audited financial statements or audited stand-alone financial statements, along with the independent auditors' report should be submitted annually as an attachment to an email sent to charterschools@dpi.wi.gov by December 15. The schedule of authorizer operating costs from the submitted annual audited financial statements or audited stand-alone financial statements must also be included in the charter school authorizer annual report.

PLEASE BE AWARE: The expenditures in Section VI and Section VII should not match.

Section VII: Services Provided to Charter Schools and Itemized Costs of Services

Provide a description of the services the authorizing entity provided to charter schools with which it contracts and an itemized statement that details the costs of these services.

Instructions for Reporting Services and Costs Provided to Charter Schools:

Specify the services and cost of the services the authorizing entity provided to charter schools with which it contracts. The authorizing entity may provide different types of services to the charter schools with which it contracts and costs may vary. Provide the aggregate total of all costs provided to charter schools for each service category. Authorizers may use the supplemental schedule template provided to satisfy this requirement. The schedule utilizes WUFAR object and function codes for reporting. The use of these codes is not required and can be adjusted as needed.

Typical service costs are included in the Instruction and Support Service Function codes listed below. See the WUFUR manual at <http://dpi.wi.gov/sfs/finances/wufar/overview> for a description of these services. The services provided schedule is not required to be audited by an independent auditor and does not need to be included in the entity's annual audited financial statements.

Examples of the types of costs that should be reported in the schedule of services costs include but are not limited to: costs for business office services, costs for food services, curriculum services, professional development services, etc. Costs and types of services may vary depending upon the contractual relationship between the authorizer and the charter school. Please note that the costs reported as authorizer operating costs in Section VI should not be the same as costs reported as services provided to charter schools in Section VII.

As a reminder, **the expenditures in Section VI and Section VII should not match.**