

Wisconsin Charter School Authorizer Annual Report Technical Assistance

August 2020

Submission of this information is required under s.118.40(3m)(f), Wis. Stats.

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 questions regarding the report may be directed to Kendra Neuman via email at Kendra.neuman@dpi.wi.gov or via phone at 608-266-2819. Any general questions regarding the authorizer duties under s. 118.40(3m)(a) to (e), Wis. Stats., may be directed to Alexander 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 1st following the school year. The report for the 2019-20 school year is due December 1, 2020.

To submit the report to the DPI it is preferred that the complete report be scanned as a single PDF file and emailed to Kendra Neuman at kendra.neuman@dpi.wi.gov.

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

Kendra Neuman Wisconsin Department of Public Instruction P.O. Box 7841 Madison, WI 53707

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 as follows:

Jeff Renk Wisconsin Senate Chief Clerk Room B20 Southeast P.O. Box 7882 Madison, WI 53707 Jeff.renk@legis.wisconsin.gov	Patrick E. Fuller Wisconsin Assembly Chief Clerk 17 West Main Street, Room 401 Madison, WI 53703 Patrick.fuller@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

Provide information regarding all of the charter schools currently under contract with the authorizer identified in Section I. Also provide information on charter schools that were under contract with the authorizer who had their contract nonrenewed or revoked. Lastly, provide information regarding charter schools that were under contract with the authorizer that closed or those that have a contract and have not yet opened.

Section III: Academic Performance of Charter Schools

Provide a summary of the academic performance of each charter school that operated during the 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 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 1. 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 Kendra.neuman@dpi.wi.gov by December 1 (with the first report to DPI being required by December 1, 2018 for the 2017-18 school year). 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.

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.