



## **Charter Reforms Included in the 2024-25 State Budget (Act 55)**

### Advertising and Sponsorships

- Any public school advertisement that references the cost of tuition, technology, transportation, or other expenses cannot advertise those expenses as “free”. Any reference to those costs must indicate that those costs are paid for by taxpayer dollars.
- By August 1, 2025, all public school entities must report to PDE the amount spent on paid media advertisements and public event sponsorships during the 2024-25 school year. The bill contains definitions of what is included as a “paid media advertisement” or “public event.”

### Ethics and Transparency

- Expressly makes charter school trustees “public officials” subject to the Ethics Act and requires them to annually file Statements of Financial Interest with the State Ethics Commission and either an authorizing school district or PDE (in the case of cyber charters).
- Requires charter school trustees to be residents of Pennsylvania and to take the same oath of office as school directors.
- Expressly makes charter school administrators “public employees” subject to the Ethics Act and requires them to annually file Statements of Financial Interest with their board of trustees.
- Prohibits charter school administrators from receiving compensation from another charter school or educational management company unless certain conditions are met.
- Prohibits family members of a charter school administrator from serving as a trustee of a charter school where the administrator is employed.
- Prohibits conflicts of interest in contracting.
- Requires a charter school administrator or trustee to be dismissed/disqualified upon conviction for an offense graded as a felony, an infamous crime, fraud, theft, mismanagement of public funds, or any crime involving moral turpitude.
- For new brick-and-mortar charter schools, trustees may not be employed by, or have a family member employed by, the chartering school district.
- Prohibits trustees from being compensated for their role as a trustee.
- Charter school boards are required to have:
  - At least 5 non-voting members within 180 days of the law taking effect.
  - At least one parent of an enrolled student within 1 year of the law taking effect.
  - A quorum present in order to take action.
  - An affirmative vote of a majority of the board to take action.
- Requires the creation of an audit committee to review the charter school’s finances. The bill includes components detailing what must be included in the audit.
- Requires charter schools to provide a copy of its approved annual budget to the chartering school district or PDE (in the case of cyber charters).

- Charter schools and charter school foundations are required to post their annual state and federal tax filings on their public websites.
- Charter school foundations are required to make copies of its annual budget available upon request and on the foundation's or charter school's website.

#### Facilities

- School districts and Intermediate Units are required to provide cyber charter schools with reasonable access to their facilities for the administration of standardized testing.
- Cyber charters must give 60 days' notice of the need. School districts and IUs have 30 days to notify the cyber charter of the location of the facilities that will be provided.
- School districts and IUs are not required to provide access to facilities on days/times that may cause undue interference with the school district's or IU's educational programs.
- School districts and IUs may charge a rental fee consistent with the school's policy for facilities rental.

#### Funding

- Requires school districts to annually calculate and submit their charter school tuition rates (the PDE-363 form) to PDE by November 1, and 15 days after any revision.
- Funding for cyber charter schools:
  - There was NO CHANGE made to the regular education tuition that school districts are required to pay
  - The only change relates to special education tuition rates. In calculating special education tuition rates, school districts will now use the **lesser** of:
    - The tuition rate calculated for brick-and-mortar charter schools (which takes a school district's special education expenses and divides them by 16% of the district's average daily membership). OR
    - The school district's special education expenses divide by the actual percentage of special education students of the district's special education average daily membership.
  - School district monthly payments to cyber charter schools until December 2024 will be based on the current tuition rate calculations in law. Beginning with the January 2025 monthly payments, school districts may use the new special education tuition rate calculation.

#### Enrollments

- Cyber charter schools now have 10 days, as opposed to 15 days to inform the school district of residence that a student has enrolled or withdrawn.

#### Wellness Checks

- Cyber charter schools are required to visibly see and communicate with each enrolled student in real time at least once per school week in order to verify the well-being of the student and their participation in the educational program.
- Any indication of abuse would have to be reported in accordance with law.

#### Other Applicable Laws

- Expands the other provisions of the School Code and state regulations that are applicable to cyber charter schools including provisions related to truancy, gifted education, and educator evaluations.