The General Assembly and the State Board of Education have identified specific criteria that charter schools must meet in order to be academically adequate and continue operation.

The Office of Charter Schools notifies schools annually if they fail to meet the academic standards set forth in statute and policy. When applicable, OCS notifies the State Board of Education that a school has failed to meet the minimum criteria deeming the school academically inadequate and subject to revocation. The signed charter agreement stipulates the process for appeals that the non-profit board of directors of the charter school may follow if the charter should be revoked. In addition, the 2014 session of the General Assembly added language about assumption of a revoked charter in lieu of closure. The State Board of Education at its December 2014 meeting adopted a policy TCS-U-017 for charter assumption.

Adequate Academic Performance

The General Assembly has established specific criteria defining adequate academic performance. Under G.S. 115C-218.95(a)(1) states that “The State Board shall adopt criteria for adequate performance by a charter school and shall identify charter schools with inadequate performance. The criteria shall include a requirement that a charter school which demonstrates no growth in student performance and has annual performance composites below sixty percent (60%) in any two years in a three-year period is inadequate.

(1) If a charter school is inadequate in the first five years of the charter, the charter school shall develop a strategic plan to meet specific goals for student performance that are consistent with State Board criteria and the mission approved in the charter school. The strategic plan shall be reviewed and approved by the State Board. The State Board is authorized to terminate or not renew a charter for failure to demonstrate improvement under the strategic plan.

(2) If a charter school is inadequate and has had a charter for more than five years, the State Board is authorized to terminate, not renew, or seek applicants to assume the charter through a competitive bid pro-
cess established by the State Board. The State Board shall develop rules on the assumption of a charter by a new entity that include all aspects of the operations of the charter school, including the status of the employees. Public assets would transfer to the new entity and not revert to the local school administrative unit in which the charter school is located pursuant to G.S. 115C-218.95(b)(2).”

**SBE Policy TCS-U-010**

In December 2009, the State Board of Education created a policy regarding expected academic performance for charter schools. SBE Policy TCS-U-010 states that

(a) The State Board of Education shall revoke the charter of any charter school when, for two of three consecutive school years, the charter school does not meet or exceed expected growth and has a Performance Composite below 60%.

(b) For purposes of this policy, the first year test scores will be from the 2009-2010 school year.

(c) This policy does not prohibit the State Board from taking any action against a charter that is otherwise legal and appropriate pursuant to G.S. 115C-238.29G (recodified 115C-218.95).

**OCS Process**

The Office of Charter Schools monitors schools for compliance for academic adequacy as defined by statute and policy. For charter schools in operation for more than five years, the process is as follows:

If the Charter School fails to meet 60% proficiency or growth in 2013-2014, the school is notified by OCS by letter in September/October when accountability results are released. The school will be placed on the Academic Notice and may receive more site visits due to the possibility of being deemed academically inadequate.

If the Charter School achieves 60% or growth in 2014-2015, the school is again notified by OCS by letter that the school must meet 60% or growth in 2015-2016 in order to be removed from Academic Notice. While the school did attain the standard that year, the statute and policy speak of a three-year review phase.

In 2015-2016, the school meets 60% or growth, the school is notified by OCS by letter that the school is removed from Academic Notice. If, however, the school fails to meet 60% or growth in 2015-2016, then the SBE may take action against the charter.

For schools operating fewer than five years that are deemed academically inadequate, statute sets a provision for the school to develop a strategic plan to meet specific goals for student performance that are consistent with SBE criteria and the mission approved in the charter school. The strategic plan shall be reviewed and approved by the SBE. The SBE is authorized to terminate or not renew a charter for failure to demonstrate improvement under the strategic plan.
Charter Termination and Appeals Process

The signed charter agreement provides additional information regarding termination of the charter and the appeals process for the non-profit board in the event of revocation or non-renewal. If the SBE acts to terminate, all charters have an appeal process that can be utilized. The Charter Agreement contains that language and it can be found in Section 24 (in Charter Agreements before 2012) and in Section 26 (in Charter Agreements after 2012).

26.1 The SBE may terminate this Charter on any of the following grounds:
   - Failure to meet the requirements for student performance;
   - Failure to meet generally accepted standards of fiscal management;
   - Violation of law;
   - Material violation of any of the conditions, standards, or procedures set forth in the Charter;
   - Two-thirds of the faculty and instructional support personnel at the Public Charter School request termination or nonrenewal; or
   - Other good cause warranting nonrenewal or termination.

26.2 If cause for termination arises, the SBE may, in lieu terminating a charter, ask for immediate resignation of any or all members of the Nonprofit holding the charter. Should the Non profit reject such an offer, the SBE will pursue the termination proceeding described below.

26.3 The following procedures will apply to the termination proceedings:

   When the NC Department of Public Instruction shall have sufficient information to initiate termination of a Charter, it shall give the Nonprofit written notice of its intention to recommend revocation of the Charter. The notice will be sent by certified mail, return receipt requested, and shall state in reasonable detail the grounds for the recommendation.

   If information available to the NC Department of Public Instruction indicates that the Public Charter School's current operation poses an immediate threat to the education, health, safety, or welfare of the Public Charter School's students or employees or the public, the SBE may take appropriate protective action pending a final decision on the termination of the Charter.

   If the SBE approves the recommendation of the NC Department of Public Instruction, notice will again be sent as specified in Paragraph (b) (1).

26.4 If the Nonprofit objects to the termination of the Charter, it must, within ten days following the date on which notice of the SBE’s action was mailed, deliver to the Office of Charter Schools a written request for a review by the SBE. If the Nonprofit fails to deliver a timely request for review, the Charter shall terminate on the eleventh day after the date the notice was mailed. If a timely request for a review is made by the Nonprofit, the Office of Charter Schools will transmit the request to the appropriate Review Panel appointed by the Chair of the SBE. The Review Panel may review the matter with or without a formal hearing. If the Review Panel elects to conduct a hearing, the hearing shall be held within 30 days of receipt of the written request, unless otherwise agreed to by the parties. At the conclusion of its review, the Review Panel shall submit a written recommendation to the SBE. Unless the SBE and the Nonprofit otherwise agree, the SBE shall make a final decision at its next regularly scheduled meeting.

26.5 In the event that the Nonprofit is required to cease operation for any reason, including by not limited to non-renewal, revocation, or voluntary surrender of the Charter, the Nonprofit shall comply with the SBE’s closure requirements.