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Operation of a Charter School

Sec. 10-66mm-1. Definitions

As used in sections 10-66mm-1 to 10-66mm-7, inclusive, of the Regulations of Connecticut State Agencies:

(1) “Affiliated” means being united, connected, allied, associated, or attached in any manner.

(2) “Charter management organization” has the same meaning as provided in Section 10-66aa of the Connecticut General Statutes.

(3) “Charter school” has the same meaning as provided in Section 10-66aa of the Connecticut General Statutes.

(4) “Governing board” means governing council of a charter school and any committee established by two or more governing councils pursuant to Section 10-66ee of the Connecticut General Statutes as a result of cooperative arrangements.

(5) “Related party” means being affiliated, principal owner or manager, spouse, child, parent or sibling of one or more of the transacting parties and includes any other parties that have significant influence over the management or operating policies or have an ownership interest in one or more of the transacting parties.

(6) “Transfer” means any act that passes an interest or control of any unsecured, noninterest bearing state or federal funds between charter schools and from a charter school to a charter management organization.

(Effective December 13, 2011)

Sec. 10-66mm-2. Disclosure of board members and management personnel

(a) A charter school shall disclose to the Commissioner of Education the name, position and address of any person who sits as a member on the governing board of a charter school including, but not limited to, a contractor, employee or volunteer. The Commissioner of Education shall prescribe the format for the disclosure of information. The charter school shall disclose the information not later than fourteen days from the appointment, designation or election of the person to the governing board.

(b) A charter management organization affiliated with a charter school shall disclose to the Commissioner of Education the name, position and address of any person who sits as a member on the governing board of a charter school including, but not limited to, a contractor, employee or volunteer. The Commissioner of Education shall prescribe the format for the disclosure of information and the disclosure shall be made not later than fourteen days from the appointment, designation or election to the governing board.

(c) A charter school and charter management organization shall disclose to the Commissioner of Education the name, position, duties of the position and address of any person they share in a management position including, but not limited to, a contractor, employee or volunteer. The Commissioner of Education shall prescribe the format for the disclosure of information and the disclosure shall be made not later than fourteen days from the first day of shared service.

(Effective December 13, 2011)

Sec. 10-66mm-3. Prohibition of sharing board members

(a) A charter school shall not share board members with other charter schools in any manner allowing such board members to participate in any offices or activities of the governing board.

(b) A charter school shall not share board members with any affiliated charter management organization in any manner allowing such board members to participate in the offices or activities of the charter management organization.

(c) An affiliated charter management organization operating a charter school shall not share board members with other charter schools or affiliated charter management organizations in any manner allowing such members to participate in the offices or activities of the charter school or the charter management organization.

(Effective December 13, 2011)

Sec. 10-66mm-4. Prohibition of transfer of state and federal funds

(a) A charter school shall not enter into any agreement whatsoever resulting in the transfer of any unsecured, noninterest bearing state or federal funds to another charter school.

(b) A charter school shall not enter into any agreement whatsoever resulting in the transfer of any unsecured, noninterest bearing state or federal funds to any charter management organization.

(c) A charter school that has entered into a cooperative arrangement pursuant to Section 10-66ee of the Connecticut General Statutes may make payments in a timely manner to another charter school or a charter management organization for reasonable and necessary costs and expenses expressed in the cooperative arrangement.

(Effective December 13, 2011)

Sec. 10-66mm-5. Direct and indirect costs

(a) Allowable direct costs incurred by a charter school or an affiliated charter management organization means those costs specifically identified with or charged to the operation of a particular project, program or activity of the charter school or charter management organization. The allowable direct costs incurred shall be reasonable and necessary to the operation of such project, program or activity.

(b) Allowable indirect costs incurred by a charter school or affiliated charter management organization means those costs identified with or charged to the operation of common or joint activity but cannot be identified with or charged directly to a specific final cost objective of the project, program or activity of the charter school or charter management organization. The allowable indirect costs incurred shall be reasonable and necessary to the operation of such project, program or activity.

(c) Related party transactions shall be documented by a charter school or charter management organization. Such transactions shall be allowable if the costs incurred are (1) limited to the actual cost of goods or services; (2) applicable, appropriate and necessary to the transaction; and (3) do not exceed the fair market rate or value that a prudent person in a non-related party transaction would incur under the circumstances prevailing at the time.

(Effective December 13, 2011)

Sec. 10-66mm-6. Calculation of per pupil service fees

(a) The method used to calculate an affiliated charter management organization's per pupil service fee shall be defined in the agreement between the charter school and the charter management organization. Any per pupil fee shall be based upon the number of students enrolled and attending the charter school as of October 1st of the current school year.

(b) Related parties shall not include mark-ups, profits or rates of return in their calculation of fees under subsection (a) of this section.

(Effective December 13, 2011)

Sec. 10-66mm-7. Collection of private donations

(a) A charter management organization may collect private donations for distribution to charter schools.

(b) A charter management organization shall keep records of all donations received, accepted and disbursed to charter schools.

(Effective December 13, 2011)