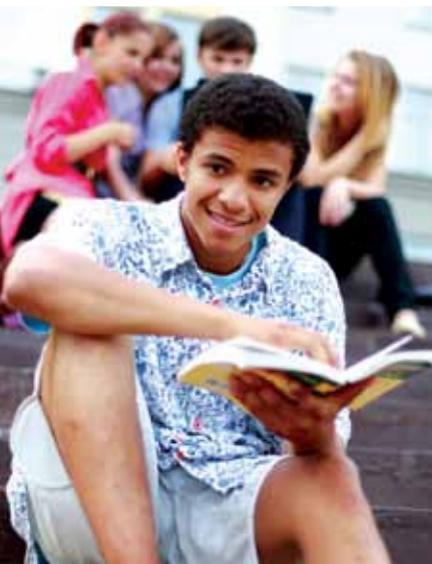


A REPORT FROM THE NATIONAL CONSENSUS
PANEL ON CHARTER SCHOOL OPERATIONAL QUALITY

A Framework for Operational Quality

May 2009



COLORADO LEAGUE of
CHARTER SCHOOLS

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BUILDING CHARTER
SCHOOL QUALITY



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Foreword

Successful charter schools are more than a collection of great teachers and an effective curriculum. They are also nonprofit corporations that must operate with maximum efficiency in order to produce strong results despite funding disparities and facilities challenges unique to charter schools. They are multi-million-dollar startup enterprises whose stakeholders are parents, taxpayers, and public authorities. Because they are public schools, charters are publicly accountable not just for academic results, but also for sound stewardship of public dollars. And as schools of choice, charter schools must satisfy families and students to earn their re-enrollment each year.

That's why the convening partners of the Charter School Quality Consortium have produced this report, *A Framework for Operational Quality*, as a companion to *A Framework for Academic Quality* released in June 2008.

The Charter School Quality Consortium is a federally-funded initiative spearheaded by four collaborating organizations:

- Colorado League of Charter Schools
- CREDO at Stanford University
- National Alliance for Public Charter Schools
- National Association of Charter School Authorizers (NACSA)

While these four organizations play different roles in the charter movement, they share a common commitment to building and strengthening the movement through quality schooling.

Although charter schools succeed and sustain themselves at a far greater rate than commercial startups, they do sometimes falter—most often,

because of deficiencies in finance, governance, and other operational domains. One recent report notes that two-thirds of mid-term charter revocations have occurred for reasons other than academic performance¹—perhaps because financial or organizational failures are often more clearcut and evident earlier than academic shortcomings.

Achieving consensus on essential indicators, measures, and metrics for charter school academic quality—the focus of our first report—was a long and difficult task, in part because charter schools serve every kind of population from pre-K to adults, and from college-bound teens to adjudicated youth. For this new report on operational quality, the task was somewhat clearer at the outset. No matter what kind of curriculum a school offers, no matter its mission or the background of its students, every charter school must be well-managed and capably governed. Its governing board must oversee the school responsibly and with fiduciary care. The school's books must earn clean audits, and student records must stand up to authorizer scrutiny.

With gratitude to the numerous experts and practitioners who served on the National Consensus Panel and in related working groups, we present *A Framework for Operational Quality*. We hope this framework and report will be a useful tool for charter schools, authorizers, and funders—working in tandem with our previous *A Framework for Academic Quality*² to help produce high performance, by many measures, across an ever-strengthening charter school sector.

— Nelson Smith
President & CEO
National Alliance for Public Charter Schools

1 Gau, R., "Trends in Charter Authorizing," Thomas B. Fordham Institute (2006), p.10.

2 "A Framework for Academic Quality," (2008), www.charterschoolquality.org.



Introduction: Building Charter School Quality

The charter school idea is based on a simple, compelling bargain: greater autonomy in exchange for greater accountability for student achievement. Seventeen years after the nation’s first charter school opened in Minnesota, there are almost 4,700 charter schools serving 1.4 million students in 40 states and the District of Columbia. Yet the quality of these schools across the country varies greatly, ranging from some of the nation’s finest schools to others that serve their students poorly and improve little over time. Thus, the powerful potential of the charter movement—to increase quality public school options for all children, particularly for the minority and disadvantaged students “left behind” in traditional school systems—is too often unrealized.

This report and its earlier-published companion, *A Framework for Academic Quality*³, are the products of a national initiative focused on turning high potential into high performance across the charter school sector.

The Charter School Quality Consortium and Consensus Panels

This report is the second product of a national consensus process conducted as part of *Building Charter School Quality: Strengthening Performance Management among Schools, Authorizers, State Charter Support Organizations, and Funders (BCSQ)*, a four-year National Leadership Activities Project funded by the U.S. Department of Education’s Charter Schools Program. The following four organizations have collaborated in spearheading this project:

- Colorado League of Charter Schools
- CREDO at Stanford University
- National Alliance for Public Charter Schools
- National Association of Charter School Authorizers (NACSA)

These four organizations are the convening partners for the **Charter School Quality Consortium**, an emerging entity that, when fully developed, will be a force for improving the quality of charter schools nationwide. The Consortium’s purposes are to:

1. **ESTABLISH CONSENSUS**, among national leaders and organizations working to bring quality educational options to underserved families, regarding academic and operational performance measures and practices that are hallmarks of quality charter schools.
2. **DISSEMINATE INFORMATION** on these necessary measures and practices so they can inform and improve charter school performance nationwide, particularly for schools in need of improvement and in high-need communities— thereby benefiting students who are most at risk of educational failure.⁴

³ “A Framework for Academic Quality,” (2008), www.charterschoolquality.org.

⁴ “Building Charter School Quality: Strengthening Performance Management among Schools, Authorizers, State Charter Support Organizations and Funders,” Proposal to the U.S. Department of Education, p. 9-10.



To carry out this grassroots, standards-setting initiative, the Quality Consortium partners have convened two national Consensus Panels over the past two years. The first focused on charter school **academic quality**, while the second focused on **operational quality**. The panels have drawn from a variety of leaders and key stakeholders in the charter school sector—including charter operators, authorizers, charter school support organizations, policy leaders, researchers, and charter school funders and lenders. The product of the first Consensus Panel was *A Framework for Academic Quality*, released in June 2008 and now available at www.charterschoolquality.org. The product of the second Consensus Panel—*A Framework for Operational Quality* presented herein—complements the first report with a different focus and purpose.

The Quality Consortium partners have featured *A Framework for Academic Quality* as a centerpiece for training charter school operators and authorizers in the Performance Management Institute (PMI), a professional development program launched by the BCSQ project. Participants to date have attested to the impact of *A Framework for Academic Quality* and the PMI in strengthening their work. In 2008, the PMI trained charter operators and authorizers from Arizona, Colorado, Florida, Illinois, Michigan, New York, New Mexico, Ohio, and Texas. Participants widely reported that the PMI solidified their commitment to performance measurement and the use of well-chosen performance metrics. The impact has been both significant and lasting; a follow-up survey sent six months after participants attended the PMI showed their commitment continued to be strong. In addition, participants noted that the PMI training spurred their organizations to adopt specific performance measures and metrics set forth in *A Framework for Academic Quality*, such as those focusing on student academic growth over time and post-secondary success.

A Framework for Operational Quality: Purpose and Uses

A Framework for Charter School Operational Quality is built around three essential indicators of operational quality and associated measures and metrics. It is intended as a practical tool to spur and guide improvement throughout the charter sector by offering standards of practice applicable to any kind of charter school, anywhere. Key groups within the charter community can use this Framework in the following ways:

- **SCHOOL OPERATORS**—to guide the establishment of essential operating standards and a foundation for institutionalized practices to achieve and sustain school success.
- **CHARTER AUTHORIZERS, FUNDERS AND LENDERS**—to guide schools in establishing these basic operating standards and practices, and to inform ongoing monitoring of charters in their portfolio.
- **CHARTER SCHOOL SUPPORT ORGANIZATIONS**—to illuminate areas of strength and areas for improvement across all the charter schools they support, and to train or assist schools in establishing operating practices fundamental for success.

Readers should use this Framework in conjunction with the previously published *A Framework for Academic Quality*, while keeping in mind the complementary purposes of the two frameworks. *A Framework for Operational Quality* outlines basic operational standards, systems, and practices that are conditions for achieving and sustaining charter school success. It is primarily a tool for school planning, monitoring, self-evaluation and improvement. Because *A Framework for Operational Quality* focuses on a variety of sound practices or “inputs”—rather than clearly measurable school performance outcomes—it is not intended to serve as the basis for high-stakes judgments of charter school performance. The Consensus Panel recommends using *A Framework for Operational Quality* to help schools establish basic conditions for success—while using *A Framework for Academic Quality* as a foundation for structuring evaluations of school performance.



KEY ELEMENTS OF THE FRAMEWORK

Key elements of *A Framework for Operational Quality* include (from the most general to the most specific):

INDICATORS > MEASURES > METRICS > TARGETS

Following is an overview of these elements and key terms as used in the Framework:

INDICATORS. Indicators represent general dimensions of school operational quality, such as Financial Performance and Sustainability, that the Consensus Panel has identified as essential. The three key operational quality indicators set forth in this Framework are accompanied by measures and metrics that the Consensus Panel recommends for widespread use by charter schools and entities that monitor their performance.

MEASURES. Measures are general instruments or means to assess performance in each area defined by an indicator. Measures require the application of specific metrics or calculation methods (see below). For example, a measure of financial performance and sustainability is liquidity.

METRICS. Metrics specify a quantification, calculation method or formula for a given measure. For example, a metric for expressing an organization's liquidity is a ratio such as:

$$\frac{(\text{Current assets} - \text{Current liabilities})}{\text{Total expenses}}$$

TARGETS. Taking metrics a step further, targets are specific, quantifiable objectives that set expectations or define what will constitute success on particular measures within a certain period of time. Having well-conceived and well-defined performance targets is important to achieve and evaluate school success. However, targets should be set by schools in light of relevant federal, state or authorizer requirements—so the Framework set forth in the following pages does not specify targets for each recommended measure and metric.



A Framework for Operational Quality

The Consensus Panel recommends three essential indicators of charter school operational quality:

1. Financial Performance and Sustainability
2. Board Performance and Stewardship
3. Parent and Community Engagement

Following is *A Framework for Operational Quality*, built around these essential indicators and associated measures and metrics. Note: The explanatory notes in each section address or clarify substantive points considered by the Consensus Panel and are important for full understanding and appropriate use of the Framework.



Indicator #1: Financial Performance & Sustainability

MEASURES	METRICS
Student Enrollment	Actual student enrollment, per statutorily required reported count(s)/ Budgeted student enrollment
Liquidity	$\frac{(\text{Current assets} - \text{Current liabilities})}{\text{Total expenses}}$
Sustainability	$\frac{\text{Total unrestricted net assets}}{\text{Average monthly expenses}}$
Occupancy Expense	$\frac{\text{Total occupancy costs (lease or mortgage)}}{\text{Total revenues}}$
Annual Audit	Absence of material or repeated audit findings in annual audit by qualified independent auditor

NOTES:

1. FINANCIAL POLICIES AND PROCEDURES. The Consensus Panel believes that a sound financial infrastructure requires establishing and following adequate financial policies and procedures that are clearly set forth in a board-approved manual. Such policies and procedures should establish clear operating standards for financial management of the school; lay a foundation for consistent, institutionalized practice in the event of leadership or staff turnover; and help to overcome any internal resistance to viewing the school as a business.

2. FINANCIAL ACCOUNTING SYSTEM. To lay the groundwork for solid financial analysis, a school must adhere to sound and consistent methods for collecting and organizing financial data. The Consensus Panel recognizes that many states require a specific chart of accounts for organizing school financial data, and believes that this suffices for charter schools in those states. For charter schools in states that do not prescribe a uniform chart of accounts, the Consensus Panel recommends that schools, authorizers, and other users of charter school financial data employ a common structure. A sample uniform chart of accounts is provided in Appendix A.



NOTES: (CONTINUED)

3. FINANCIAL EXPERTISE. The expertise needed for charter schools to perform well financially requires both management and board-level skill. Each is necessary but is not in itself sufficient. The Consensus Panel debated what constitutes “financial expertise,” ultimately agreeing that this should be determined locally.

4. ANNUAL FINANCIAL AUDITS. The Consensus Panel agrees that charter schools should undergo annual financial audits by a qualified and independent external auditor (which may be a state auditor, as required in some states). Periodic financial reviews conducted by the authorizer can complement, but do not supplant the need for comprehensive annual audits by qualified financial auditors.

5. REVENUE MANAGEMENT. The Consensus Panel discussed the need for schools to ensure that they manage incoming revenue so that they can operate at the desired level of performance. Some Panel members expressed concern that some schools neglect or choose not to pursue funds that could help their programs. Other members noted that this could be a rational and strategic decision for schools that wish to avoid attached strings or time-consuming reporting requirements for some funding sources. The Panel agreed that schools should understand the cost of pursuing additional dollars in relation to the additional dollars that they actually receive.

6. CASH RESERVES. There is always the possibility of unexpected costs in operating a charter school. The Consensus Panel discussed the need for schools to maintain a cash reserve for unexpected expenses. Some states as well as authorizers provide guidance or require a certain percentage of revenue or expense to be held in reserve. The Panel agreed that maintaining a reserve should be a goal for all charter schools, while the appropriate amount for individual schools will vary based on school needs. Schools should be aware of any state or authorizer requirements pertaining to cash reserves. Absent such a requirement, it would be prudent to maintain a minimum of 30 days’ cash on hand—a minimum that charter school lenders like to see. (In many industries, maintaining 90-180 days of cash on hand is the norm, but given the variety of ways charters are funded, this may not be not realistic.)

7. CHARTER SCHOOL FACILITY PLANNING AND DEBT BURDEN. The Consensus Panel does not recommend one particular facility approach—either facility purchase or lease—over the other for all charter schools. The best approach will depend on the specific circumstances of each school. The Panel does recommend, however, that all charter schools have a facility plan providing for either facility ownership or a long-term lease by the time the school reaches full enrollment. The Panel declined to specify a recommended range for charter school facility costs, as such costs are heavily driven by local markets, but the Panel agrees that schools should take care to ensure that facility costs (mortgage or lease payments and debt burden) do not impair their ability to provide a high-quality academic program.



8. STUDENT ENROLLMENT. Student enrollment is the major driver of charter school revenues, and projected enrollment is a key assumption underlying financial decisions by charter school boards and leaders. Under-enrollment can lead to devastating financial consequences for charter schools. Many schools maintain a waitlist that helps them manage attrition and fill student spaces throughout the school year. The Consensus Panel believes it is necessary to measure the demand for every charter school to ensure that it can operate as planned. (Measuring demand is discussed under Indicator #3: Parent & Community Engagement.)

9. SCHOOL-LEVEL FINANCIAL AND ACADEMIC REPORTING. Financial performance and impacts are fully transparent only when charter schools (or Charter Management Organizations (CMOs)/ Education Management Organizations (EMOs)) report both academic and financial information at the individual school level. The Panel recognizes that some CMOs, EMOs or school networks are organized as quasi-districts that provide centralized administrative support while the schools or campuses manage independent academic programs. Under such structures, it is common for financial information to be reported centrally. If finances are reported only centrally, however, individual school boards (if different from the managing entity's board) cannot see how their resource allocations compare to those of other schools in the network. Nor is it possible for external stakeholders—such as authorizers, funders or lenders—to see how resources are allocated to individual schools, or to assess the impact of resource allocation on school performance. Do better-performing schools receive more resources—or do they use fewer resources, or use them differently? Such questions cannot be answered when financial reporting is generalized across multiple schools. Accordingly, the Consensus Panel strongly recommends that both academic and financial information be clearly reported and analyzed at the individual school level.

10. ACCOUNTING FOR IN-KIND SERVICES. Charter schools often receive in-kind resources such as transportation, special-education support, facilities, or legal and financial services that may not appear in their financial records. It is difficult to capture accurately the dollar value of in-kind support provided to schools by CMO/EMOs, foundations, school districts or other entities, because charter schools may not know the exact monetary value of the in-kind services or resources they receive, and do not record such transactions on their books. Because of this, the Consensus Panel has not developed measures or metrics concerning in-kind services, but does suggest that schools recognize and record them in their financial reporting.



Indicator #2: Board Performance & Stewardship

MEASURES	METRICS
Board Member Skills, Knowledge and Commitment	Collective years of board member experience in each of the following critical areas, at a minimum: Finance, Legal, Education, and Board Leadership/Governance Percentage of board members who attend more than 80% of board meetings
Setting Expectations	Percentage of short- and long-term, board-approved academic and operating performance goals (for external accountability) that are SMART, i.e.: <ul style="list-style-type: none"> Specific Measurable Ambitious Realistic, with Responsibility Assigned Time-specific with Target Date Short- and long-term, board-approved, SMART performance goals, including at least one goal for each of the following areas: <ul style="list-style-type: none"> • Student achievement (status or absolute performance) • Student academic growth over time • Financial health • Operational efficiency • Organizational development
Ethical Conduct	Absence of violations of authorizer-approved board policy governing ethical matters including conflicts of interest
Regulatory and Reporting Compliance	Percentage of all required filings that are complete, accurate and on time Absence of violations of any regulatory or reporting requirements
Leadership Oversight and Evaluation	Clear lines of authority, responsibility, and reporting Board monitoring of school/CMO leadership performance throughout the year Annual evaluation of school/CMO leadership performance against established performance expectations (SMART goals)
Contract Management and Oversight	Fulfillment of terms of charter contract Effective management and oversight of all service contracts, including any contracts for education/management services, as evidenced by, at a minimum: <ol style="list-style-type: none"> a) Clear, sound contracts that articulate roles and responsibilities; academic and operational (as applicable) performance goals, measures, timelines and terms; and consequences for inadequate performance b) Oversight that focuses on contractually-agreed performance outcomes and quality service
Public Accountability and Transparency	Clear, accurate, regular communication by the school on its academic and operating performance to key constituencies and the public through a variety of means that maximize access and understanding
Securing the Future/Continuous Improvement	Documented board and leadership attention to significant changes in the school's environment including authorizing changes and legislative, regulatory and policy activity Formal annual board review of performance and improvement against annual targets and long-term academic and operating performance goals Measurable improvement in the school's academic and operating performance over time, aligned with the school's performance contract goals



NOTES:

- 1. BOARD MEMBER SKILLS, KNOWLEDGE AND COMMITMENT.** This measure aims to ensure that every charter school board collectively possesses the diverse expertise and capacities needed to execute the board's fiduciary duties in governing a public school, non-profit corporation, and multi-million-dollar enterprise, and to carry out the board's policymaking and strategic decisionmaking roles for the long-term success of the school.
- 2. LEADERSHIP OVERSIGHT AND EVALUATION.** The Consensus Panel agrees that a charter school board's chief responsibilities with respect to school leadership are to:
 - A)** Hire a strong, capable leader.
 - B)** Monitor and evaluate the leader against established performance expectations based on SMART goals.
 - C)** Support the leader in achieving goals and securing long-term success, while respecting the distinct roles of governance vs. management.

In most states, charter management organization (CMO) or other school-network boards bear these essential responsibilities for each school or campus they oversee.

- 3. CONTRACT MANAGEMENT AND OVERSIGHT.** This measure focuses on ensuring appropriate stewardship over all contracts executed by a charter school governing board, including the charter contract itself as well as any service or management contracts with third parties. All such contracts should delineate the roles and responsibilities of the parties and articulate performance goals, timelines and terms, including consequences for inadequate performance or service.
- 4. PUBLIC ACCOUNTABILITY AND TRANSPARENCY.** This measure emphasizes the public stewardship responsibility of charter school governing boards. As educational trustees of the state, charter boards are called upon to be responsive to diverse, complex and often conflicting constituencies. Key principles underlying this measure include:
 - A)** Charter school boards govern on behalf of and are accountable to the broader public, not merely their own school's internal community.
 - B)** Charter school boards must serve the public interest and uphold the public trust. This central commitment should guide all board policymaking and decisionmaking.



Indicator #3: Parent & Community Engagement

MEASURES	METRICS
Satisfied Students and Parents	Percentage of students and parents who give the school a high (A or B) rating on satisfaction surveys, with response rates of at least 75% from parents and at least 80% from currently enrolled students broadly representative of the student population (For internal, school improvement purposes only; minimum response rates recommended for validity) Re-enrollment ratio: School's rate of student re-enrollment from year to year, compared to district average and/or the school's prior-year re-enrollment rate (using statutorily required method for tracking enrollment)
Excess Student and Parent Demand	$\frac{\text{Enrollment} + \text{Valid Excess Demand}}{\text{School's Current Enrollment Capacity}}$ (for validity, the demand figure should be annually updated and confirmed)

NOTES:

1. SATISFACTION SURVEYS—QUALITY AND CONTEXT.

The Consensus Panel recognizes that not all satisfaction surveys are valid or reliable instruments, but agrees that it is important for schools to assess parent and student satisfaction (as well as needs and desires) for internal, continuous school improvement. To strengthen the quality of satisfaction surveys and the validity of their results, the Panel agrees that satisfaction surveys should reflect strong response rates from parents and from currently enrolled students who broadly reflect the student population's grade levels and demographics.

Though there is no "scientific" standard establishing a response rate sufficient to ensure validity of school satisfaction surveys, the Panel believes that in the context of charter schools—which are self-selective communities—response rates should be significantly higher than might be accepted in other survey contexts (e.g., public-opinion research, academic research, or any random-sampling survey). This is because a) a charter school satisfaction survey is administered to a selective—not random—group of desired respondents; and b) engagement of that group is one of the very purposes of the survey itself. The Panel believes that a school that is committed to engaging its students and parents and actively seeks

their feedback should be able to achieve response rates of at least 80% for students and 75% of parents on satisfaction surveys, if the purpose is to assess and demonstrate broad, school-wide satisfaction.

In addition, the Panel considered recent research showing that stakeholders, particularly parents, often have broader expectations of established charter schools than of brand-new schools. According to the research conducted by Wohlstetter et al., some elements of a school are important to parents and students regardless of the school's age—such as academic programs, school culture and environment, teachers and administrators, and school support services. In contrast, there are other elements or features that stakeholders tend to expect to improve or develop as a school becomes more established, such as facilities, extracurricular activities, parent groups, and community partnerships.⁵

Accordingly, the Panel agreed that student and parent satisfaction surveys might appropriately contain different questions for charter schools at different stages of development, such as for:

- A) New schools (0-2 years old).
- B) Emerging schools (3-4 years old).
- C) Mature schools (5 years or older).

⁵ See Wohlstetter, P., Nayfack, M. & Mora-Flores, E., "Charter Schools and 'Customer' Satisfaction: Lessons from Field Testing a Parent Survey," *Journal of School Choice* 2:1 (2008), 66-84.



NOTES: (CONTINUED)

2. FAMILY MEANS. The Panel considered but did not agree to include parent volunteerism or financial contributions as a metric for parent satisfaction for all charter schools. The Panel recognizes that not all families have the means or capacity to contribute volunteer time or money to their school, so such metrics could be particularly misleading in assessing parent satisfaction with schools that serve predominantly low-income students.

3. NEED TO UNDERSTAND WHY STUDENTS LEAVE. The Consensus Panel strongly believes that all charter schools should track, document, and report on why students leave their school, by administering and documenting the results of exit interviews whenever students leave. While recognizing the time and resources this requires, the Panel agrees it is vital for schools to document—for self-improvement as well as for reporting to authorizers and other stakeholders—the extent to which students are leaving for logistical reasons (e.g., commuting distance too far, or moving away) versus dissatisfaction with some aspect of the school.

4. STANDARD FORMULA FOR CALCULATING DEMAND (ANNUALLY RECALCULATED). Though many charter schools maintain waitlists, the Consensus Panel agrees that the length of a school's waitlist alone may not necessarily be a valid or informative calculation of demand for the school, because of differences in enrollment capacity as well as schools' methods for constructing or maintaining waitlists. A school's enrollment capacity is an important consideration—a waitlist of 500 may indicate something entirely different for a school with 250 seats compared to a school with 1,500 seats. In addition, schools should avoid calculations or practices that might artificially inflate their waitlists in various ways—such as continuing to recruit students even after all seats are filled and the waitlist is sufficient to ensure a full enrollment, or keeping students on a waitlist year after year even if those students are no longer interested or eligible.

To obtain clearer perspective on student/parent demand—and to ensure validity and comparability of school waiting lists—the Panel recommends the following standard formula for calculating a ratio of demand to capacity for any charter school:

$$\frac{(\text{Enrolled Students} + \text{Valid Excess Demand})}{\text{School's Current Enrollment Capacity}}$$

This formula takes into account each school's planned enrollment capacity for the current year, which may increase each year for schools that are growing or adding grades. The result indicates the strength of demand, and values greater than 1.0 represent a measure of financial security, since full enrollment is assured. The Consensus Panel agrees that this ratio should be calculated and reported every year to monitor a school's demand trends as well as its status (or single-year snapshot). Likewise, authorizers should verify that each charter school is properly calculating and annually updating its waitlist to ensure the validity of its reported excess demand.



Appendix A: Sample Uniform Chart of Accounts

FUNCTION	SUBFUNCTION	DETAIL FUNCTION
Instruction	Classroom Teaching	Instructional Teachers
		Instructional Para-professionals
		Substitutes
	Classroom Materials	Pupil-Use Technology & Software
		Non-Employee Instructional Materials
Instructional Support	Non-Instructional Pupil Support	Guidance & Counseling
		Library & Media
		Extracurricular
		Student Health & Services
	Teacher Support	Curriculum Development
		In-Service, Staff Development & Support
	Program Support	Program Management
		Therapists, Psychologists & Social Workers
Facilities Expenses	Building Management	Building Operations, Utilities & Maintenance
	Capital	Capital Projects/Capital Leases
		Debt Services
Administrative Expenses	School Management	Principals & Assistant Principals
		School Office
	Business Management	Data Processing
		Business Operations
	Program/Operations Management	Deputies, Senior Administrators & Researchers
	District Management (if applicable)	Superintendent & School Board
		Legal
	Legal	Claims & Settlements
Other	Non-Instructional Pupil Services	Transportation
		Food Service
		Safety



Appendix B: Consensus Process Notes

The Consensus Process

As the initial step in establishing a national peer consensus on a framework for charter school operational quality, the Building Charter School Quality (BCSQ) leadership team convened three national, geographically diverse working groups with broad expertise in the content areas of charter school Governance, Finance, and Parent & Community Engagement, respectively. Each working group convened three times by webinar in Spring 2008 to discuss potential core indicators, measures and in some cases, metrics necessary to ensure charter school operational quality in their particular areas of focus. The working group leaders distilled these discussions into background briefings to initiate and inform the Consensus Panel's deliberations.

On June 5-6, 2008, the Consensus Panel met in Austin, Texas to discuss and draft indicators, measures and metrics for charter school operational quality. With discussion facilitated by the working-group leaders, the Consensus Panel carefully considered the suggestions and ideas of the working groups, identifying areas of overlap as well as areas requiring clarification, and laying the groundwork for *A Framework for Operational Quality*. The BCSQ project team then used the discussion notes from the Consensus Panel meeting to develop multiple drafts of the Framework, with the final draft subject to review and comment by the Panel and working groups, and the final Framework representing broad consensus by the Panel.

Decision Rules of the Consensus Panel

The charge to the Panel was to achieve consensus on the indicators, measures, and metrics contained in the Framework. If consensus was not reached on particular points, Panel participants then identified areas of disagreement, opposing arguments, and any necessary conditions for future consensus.



Appendix C: Consensus Panel, Working Groups & Project Staff

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