



Stargate School  
Governance Handbook  
“Charter School 101”

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## INTRODUCTION

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Being a member of a Charter School is a unique opportunity to participate in the freedom of choice of education for all students. Stargate School is a K-12 Charter School serving a gifted and talented community of students. The original school was founded by a group of dedicated parents in 1994 as a K-8 school. In the fall of 2015, the High School portion of the school was started with its first 9<sup>th</sup> grade class and expanding by one grade per year until full 9-12 enrollment. Through a collaboration of the Board of Directors and the Stargate Foundation, the new K-12 campus was completed at the current location and opened for classes in the fall of 2016.

To help you better understand the roles and duties of being a member of the community as well as a committee member or elected Board member, this handbook is split into four major sections – **Charter School Overview, Charter School Board, Financial Requirements, and School Oversight**. The Charter School Overview section provides a high level review of Charter Schools; the Charter School Board section covers the general responsibilities, requirements, and restrictions placed upon Board members; the Financial Requirements section deciphers how charter schools are financially managed; and, the School Oversight section expounds upon a Board member’s duties in overseeing the school’s students and personnel.

### **Board of Directors**

Essentially, the role of a Board member is two-fold: (1) to exercise final authority in matters affecting the charter school; and, (2) to ultimately be held accountable to the Charter Authorizer (Adams 12 School District) for the school’s academic performance, financial health, and compliance with applicable laws and regulations.

### **Volunteers**

From its founding, parent volunteers have played a critical leadership role at Stargate. We recognize that students tend to be more successful when parents are involved in their children’s educational experience. For Stargate volunteers, the possibilities are endless and the results of involvement are powerful. Whether in the classroom or through a chartered committee of the Board of Directors, Stargate needs a commitment from its community members to maintain its success. In addition, financial donations are necessary to fill the financial gap in Charter School funding.

Should there be additional questions after reviewing this handbook, the Colorado League of Charter Schools and the Colorado Department of Education may have additional resources to help guide you.

### **MISSION STATEMENT**

*Stargate School will provide a differentiated program designed specifically to meet the needs of identified intellectually gifted learners in order to challenge each student’s academic abilities, support their unique emotional needs, promote individual character development and encourage a life-long love of learning.*

### **VISION STATEMENT**

Stargate community will be a leader and innovator in intellectually gifted education by providing a learning environment to enhance gifted students’ needs.

### **POLICY STATEMENT ON DECISION MAKING**

*The Stargate charter belongs to the parents of the school. All decisions by the Board of Directors and the Principal shall be made within the parameters and uphold the principles of the vision and mission statements. Decisions shall be made first considering the vision and mission statements and then considering the stakeholders, always keeping in mind that parents should have a meaningful voice in their child’s education.*



## CHARTER SCHOOLS: OVERVIEW

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Unlike traditional public schools – where schools located within a certain jurisdiction are subject to uniform rules and regulations set by a local or state school board – ***charter schools are independent public schools that are given educational and operational autonomy in exchange for performance-based accountability.***

In essence, charter schools operate from 3 basic principles:

1. **Choice**: Parents select the school their child attends.
2. **Flexibility**: Charter schools are free to make timely decisions on issues specific to their school such as developing curricula, structuring the school day, creating a balanced budget, and hiring teachers who meet the needs of their students.
3. **Accountability**: In exchange for operational freedom and flexibility, charter schools are subject to a higher level of accountability via performance-based contracts and must meet certain academic, financial, and legal standards within an allotted time frame or risk closure of the charter school. Stargate School is accountable to the families in the school, the Adams 12 School District, and the state.

Note: Minnesota enacted the first charting system in 1991. In 1993, Colorado became the third state in the US to enact a charter school law. Stargate School was authorized in 1994.

In Colorado, there are **3 primary sources** for charter school laws, rules, and regulations:

1. **Law**: Charter Schools Act (C.R.S. 22-30.5-101 through C.R.S. 22-30.5-704)
2. **Policy**: Stargate School follows policies that are currently approved by the Adams 12 School District unless specifically waived as part of the contract. In addition, Stargate School maintains additional policies in the policy manual that is managed by the Board of Directors.
3. **Contract**: Charter contracts are unique to each individual school. Stargate School operates through a contract agreement with Adams 12 School District.

***A public charter school comes to life through, and is generally governed by, a Charter Contract between the School and the Authorizer.*** Stargate School is authorized through the Adams 12 School District.

Similar to all other service contracts, the Charter Contract is a legal agreement that sets the expectation for the School and Authorizer over a set term. It defines both the School's rights to manage the school and the Authorizer's monitoring and oversight responsibilities.

**The validity of each Charter Contract is contingent upon the school's ability to meet certain academic, financial, and legal standards within an allotted time frame.** If the school meets those requirements, then the contract can be renewed for another set time period; but if the school fails to do so, the contract cannot be renewed and the school will either be closed altogether or transferred to a different operator. Additionally, the Charter Contract can be revoked at any time by a majority vote of the Authorizer if the Authorizer finds that the Operator violates the contract, fiscal standards, or the law (this type of revocation generally occurs when there is a gross violation, or health and safety of students are at risk).

**Renewal Timeline**: The Stargate School's Charter Contract with Adams 12 School District is renewed every 5 years based on performance. The current contract was renewed with an amendment to allow for expansion of the school from K-8 to K-12 in 2014. The contract itself and all approved waivers are posted on the Governance Website.



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## CHARTER SCHOOL BOARD: PURPOSE & STRUCTURE

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The Board of Directors, as holder of the Charter Contract, exercises final authority in matters affecting the school. The Board may utilize any power and perform any function (not prohibited by law) necessary, requisite, or proper for the management of the school. Accordingly, **the Board is ultimately responsible for the academic, financial, and legal performance of the school.**

Fundamentally, the Board is a group of dedicated, committed individuals that come together as a collective unit to:

- Share their time and expertise to govern the school;
- Provide the school with strategic leadership;
- Protect the public's interest; and
- Enable the school to achieve its mission.

### **Ideal Qualities of Board Members:**

- Passionate about the school's mission
- Time to commit as volunteers
- Willingness and ability to serve as the school's governor, ambassador, sponsor, and consultant
- Ability to understand the distinctions between governance and management
- Ability to ask tough questions

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## CHARTER SCHOOL BOARD: GENERAL RESPONSIBILITIES

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Board Members, like other non-profit boards, are required to act in good faith and to exert the same level of diligence, care, judgement, and skill that an ordinarily prudent person would exercise under similar circumstances and in like positions. As such, Board Members have three basic fiduciary duties:

1. **Duty of Care:** exercising sound, legal, and ethical board best practices and acting on an informed basis – examples:
  - Being an active Board member and participant
  - Participating in risk assessment and strategic planning discussions
  - Routinely evaluating the school, Executive Administrator(s), and Board to assess the organization's performance
  - Implementing and enforcing any policies that safeguard the financial and operational integrity of the school
  - Purchasing all necessary board and school liability insurance as required by the Authorizer
2. **Duty of Loyalty:** giving undivided allegiance when making decisions affecting your school – examples:
  - Avoiding conflicts of interests/abiding by conflicts of interest policies
  - Never using school/board information for personal gain
  - Being strong promoters and advocates for your school
3. **Duty of Obedience:** acting in furtherance of the law and the school's goals and mission – examples:
  - Complying with all applicable state and federal laws governing charter schools, including laws applicable to Colorado public bodies
  - Acting in congruence with the Board's purpose, articles of incorporation and bylaws, and Charter Contract
  - Being mission-aligned so that your actions are consistent with the school's goals, vision, and mission



## CHARTER SCHOOL BOARD: GOVERNANCE

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In addition to its general responsibilities, the Board is specifically charged with overseeing the school's performance. But while the **Board's overall purpose is to govern** the charter school, **it is not tasked with running the school's daily operations** (that duty belongs to the Executive Administrator(s)). Indeed, a successful Board has a clear understanding of its **direct** and **indirect duties**, as well as its primary and secondary responsibilities:

### Governance Duties:

- Academic Performance
  - The Board **indirectly** governs the school's academic success through its oversight and evaluation of the Executive Director
- Financial Performance
  - The Board **directly** governs the school's finances by developing and maintaining a balanced budget and ensuring adequate resources
- Legal Compliance
  - The Board is **directly** responsible for its ability to comply with the various laws applicable to Colorado public bodies
  - The Board is **indirectly** responsible for the school's ability to comply with the various laws applicable to public schools through its creation and enforcement of school, student, and employee policies

### Governance Responsibilities:

- **Primary**
  - Hire, support, and evaluate the Executive Administrator(s)
  - Strategically plan for the school's future through policy
  - Maintain legal and ethical integrity and provide financial oversight
  - Develop and maintain an effective and competent Board
- **Secondary**
  - Secure adequate resources for the school (fundraising)
    - Boards may solicit, accept, and administer donations or any other financial assistance (not prohibited by law) for educational purposes on behalf of the charter school
  - Serve as the school's ambassador to the community and greater public
  - Uphold the promises made in the Charter Contract



## CHARTER SCHOOL BOARD: RESPONSIBILITY MATRIX

The role of a Board Member is distinguishable from that of the Executive Administrator(s). As the governing entity, the Board is charged with *developing* school policies and setting goals and expectations. The Executive Administrator(s) serve as the school’s manager and are in charge of *implementing* the Board’s policies and carrying out the school’s academic and operational programs on a day-to-day basis. The Executive Administrator(s) are direct reports to the Board as defined in the Organizational Chart of the Stargate School Governance Board of Directors Agreement, which is reviewed and approved by the Board each year.

**The Board assesses “what” needs to get done, while the Executive Administrator(s) are entrusted with “how” to do it.**

Responsibility	Board	Executive Administrator(s)
Financial Management	<ul style="list-style-type: none"> <li>Approves annual budget</li> <li>Reviews periodic financial reports</li> <li>Ensures proper internal controls are in place</li> </ul>	<ul style="list-style-type: none"> <li>Prepares annual budget with input from Board/finance committee</li> <li>Oversees preparation of periodic financial reports</li> <li>Implements proper financial controls</li> </ul>
Academic Excellence	<ul style="list-style-type: none"> <li>Ensures academic benchmarks: examines whether <i>the what</i> are being met or on target to be met</li> <li>Offers oversight of academic program through the Unified Improvement Plan</li> </ul>	<ul style="list-style-type: none"> <li>Delivers academic program aligned with Charter Contract’s specifications</li> <li>Determines <i>how</i> the instructional program is delivered</li> </ul>
Compliance and Human Resources	<ul style="list-style-type: none"> <li>Establishes personnel policies that adhere to state, federal, &amp; local requirements</li> <li>Approves salary scale &amp; benefits packages offered by school</li> </ul>	<ul style="list-style-type: none"> <li>Determines qualifications &amp; hires staff</li> <li>Conducts performance evaluations of staff</li> <li>Responsible for management of school personnel</li> </ul>



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## CHARTER SCHOOL BOARD: RESTRICTIONS

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The following prohibitions are applicable to the Board:

### Employment/Compensation:

- Board Members cannot be employees of the school
  - Board Members are prohibited from being employed by the school for *2 years* following termination or resignation from the Board
  - Board Members are prohibited from employing any immediate family members
- Board Members cannot receive compensation for services to the school other than reimbursement of actual expenses
  - Board Members cannot solicit or accept personal gifts from any person or entity doing business, or seeking to do business, with the Board or school.

### Nepotism:

- No Board Members can be members of the same immediate family (children, spouses of children, siblings, spouses of siblings, parents, spouse, or parents of spouse).

### Recusal:

- A Board Member must recuse him or herself from participating in any transaction in which he or she has a personal substantial economic interest. This prohibition also extends to situations in which a Board Member knows any of the following persons has a substantial economic interest in a transaction:
  - Immediate family members; any entity of which the Board Member is an officer, director, trustee, partner, or employee; anyone with whom the Board Members is negotiating with or has an arrangement for prospective employment; any legal entity of which the Board Member controls or owns an interest greater than 25%.
- Board Members may participate in the *discussion* or debate concerning the transaction but must disclose the conflict of interest before the discussion begins and are prohibited from voting on the matter.

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## CHARTER SCHOOL BOARD: COMPLIANCE

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Because charter schools are public schools, the Board must comply with laws applicable to Colorado public entities, including the Colorado Open Meetings Law (Sunshine Laws) and the Colorado Open Records Act. Violation of public laws can subject individual Board Members to civil penalties, as well as impact an Authorizer's decision to renew the School's Charter Contract.

Any matter conducted on behalf of the school by the Board or a Committee thereof must be done in a manner that is open and transparent to the public.

- Boards and Committees should err on the side of caution and abide by Colorado Open Meetings Law, especially when discussing any matter that will impact the school's board, employees, and students (including governance, facilities, budget, and academics).
- A Board's failure to comply with Open Meetings Law can subject individual Members to civil penalties and render null any decisions made by the Board.
- **Note:** A person who willfully disrupts a meeting and seriously compromises the ability of the meeting to be conducted in an orderly manner can be removed.

The **Colorado Open Meetings Law** [C.R.S. § 24-6-401] states that anyone discussing Board business, policy, actions, resolutions, etc. amongst three or more Directors, except at meetings for which notice has been properly posted at least 24 hours prior to the meeting, is illegal. "Meeting" with another director is defined as communication in person, by telephone, by electronic mail, or through any other means. Executive sessions and



confidentiality laws are also outlined in the statute [C.R.S. § 24-6-402(4) (a) through (h)] as the following categories:

- a) Buying or selling property
- b) Legal advice
- c) Confidential matters require by State or Federal Law
- d) Security issues
- e) Contract negotiations and strategies
- f) Personnel matters
- g) Considerations of documents protected from disclosure under the Open Records Act
- h) Discussion of students

**Note:** No final or binding action (voting) can take place in executive session. All votes must occur, and be recorded, in open meeting.

**A Quorum (simple majority or at least three, whichever is fewer) is needed for Voting:**

Any action (voting) by a Board or Committee can only take place if there is a quorum of members during the open meeting. If a Board or Committee member leaves the meeting (for whatever reason – whether temporarily or permanently) then he or she is no longer considered in attendance while absent and the remaining Members must recalculate whether a quorum exists before proceeding with the meeting.

The **Colorado Open Records Act (CORA)** requires a School and Board to provide public access to certain school and Board records. A Public Record is *any* type of documentation (including e-mails) that are used or retained for use in the management of a public business/entity, including the operation of a public Charter School. Public records are records that actually exist. If a requested record does not exist, one does not have to be created to comply with the request. Certain records are considered NOT to be public records and cannot be given to the public upon request (student address or phone numbers, employee address or phone numbers, personnel files, student files, etc.). Retention of public records should follow the Board policy. Records requested must be provided in a timeframe as required by CORA and associated fees for making copies can be charged in alignment with CORA. If the time associated with gathering the requested record is burdensome or expensive, additional time and fees can be applied to the request.

**Board Meeting Minutes**

The Board *must* keep written minutes of *all* meetings where business is conducted. Additionally, meeting minutes are *public records* and must be made available to the public.

Minutes must include the following information:

- The date, time, and location of the meeting
- The attendance or absence of each Board member
- The substance of all matters decided (minutes do not need to be overly detailed with specifics)
- If applicable, the reasons for moving into executive session



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## FINANCIAL REQUIREMENTS: FUNDING

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Charter schools are not just educational centers, they are organizations with significant budgetary and operational needs and expectations. Managing the business side of the school is vital to its success. Unlike traditional public schools, stand-alone charter schools do not have a district or management organization to handle things like managing the budget, transportation, food service, janitorial services, payroll, etc. Overlooking this aspect of the school is dangerous as experiencing financial challenges is the most common reason for closing a charter school, with 46% of charter schools closing due to finances. Stargate School has maintained a history of strong financial performance in large part because of a strong Director of Operations and Finance, an engaged Finance Committee made up of qualified parent volunteers, and a Board committed to financial stability.

One of the most significant duties of the Board is to create and maintain a balanced school budget. Because Stargate School is a public school, the Board must adopt, finalize, amend, and implement the school's budget in accordance with the law.

- The Board will engage in sound financial practices, reporting, and audits to ensure proper use of public funds and the successful fiscal operation of the school.
- Stargate School's annual audit must be conducted by a qualified third party.
- The Board will establish a reliable accounting system through the Director of Operations and Finance and the Finance Committee, as well as maintain accurate accounts and documentations for all allocated and accrued funds.
- The Board will keep proper documentation of the use of public versus private funds.

Stargate School is a public charter school, therefore funding is provided through tax dollars via the authorizer, Adams 12 School District.

### Charter School State Funding

- Charter schools receive the same per pupil funding as their authorizing district (or Charter School Institute). Kindergarten students receive 58% of student funding as they are considered part time.
- From this funding, Charter schools pay their authorizers for central administrative services. Some of these fees are statutory and some are negotiated. All of these fees are included in the annual operating budget of the charter school.
- Charter schools finance their facilities from per pupil operating revenue, not from voter approved bonds.
- Voter approved additional revenue can come from bonds for capital expenditures and mill levies for operational costs. The ability to share in these funds depends on the agreement with the authorizer.
  - In 2016, Adams 12 voters approved a capital bond that was shared with the District charter schools. This funding was required to be spent on capital building improvements only.
  - In 2018, state law will require mill levies to be shared with charter schools at 95%. This funding will be able to be applied to general operating expenses.
- Charter school portions of state and federal grant revenues are negotiated as part of the charter school contract.
  - Stargate School receives 65% of the state and federal grant revenue that Adams 12 School District receives on our behalf. The remaining 35% is contractually obligated to be retained by the District.

### Additional Sources of Funding

Private donations, corporate support, and earned income are additional ways that Stargate School acquires funding. Through community engagement activities, annual fundraising events, and fees for space use or services, Stargate School is able to use additional funds to supplement traditional operating expenses. However, money raised through fundraising efforts is not considered stable income and should not be applied to regular operating expenses, such as salaries, rent, or utility bills.



## **Reserve Funds**

Stargate School follows best practice through its reserve fund policy. The Finance Committee, through direction of the Board, tracks the progress of the School to align with the reserve policy. The policy allows use of this fund only under specific circumstances and only through Board approval. It is important to maintain a proper reserve fund in order to cover unexpected expenses.

## **FINANCIAL REQUIREMENTS: FACILITIES**

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Unlike traditional public schools, which utilize voter approved bond funding to build and maintain their facilities, charter schools must finance and pay for their facilities with operating budget models that will support 30 years of payments from per pupil revenue. Facility acquisition is critical to charter school success. Charter schools must borrow money to finance facilities development. They typically accomplish this through the issuance of municipal bonds, with interest rates ranging from 4%-8% depending on credit worthiness. Building corporations are generally set up to own the facilities and assume the debt. The school then becomes the tenant of the building corporation. The Stargate Foundation is the Building Corporation that owns the debt for the Stargate School campus.

The primary consideration in charter school design is space usage. Particular attention is paid to maximizing space usage to maximize dollars generated. Ongoing maintenance of the building is also a budget line item that is considered and appropriated annually.



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## SCHOOL OVERSIGHT DUTIES

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The Board is ultimately held accountable to its Authorizer for the school's academic, financial, and legal performance. Even though the Board's role is *not* to micromanage the Executive Administrator(s), successful Boards should still have a working knowledge of the school's operations and legal responsibilities and liabilities with respect to its personnel and students.

### Personnel

Aside from hiring the Executive Administrator(s), the Board lacks the authority to make employment decisions as to all other school instructional staff – this authority, instead, lies with the Executive Administrator(s). However, the Board plays two key roles when it comes to school personnel: evaluation of the Executive Administrator(s) and enacting and overseeing employee policies:

1. **Executive Administrator(s) Evaluations**

As the governing entity of the School, the Board is charged with overseeing and evaluating the Executive Administrator(s). The Executive Administrators are responsible for evaluation of the School's staff. Stargate utilizes CO SB-191 as its evaluation tool for teachers as well as the Principals.

2. **Teacher Requirements**

Currently, Charter School instructional staff are not required to be state-certified teachers. Instead, they are required to have a baccalaureate degree, be highly-qualified, and be subject to all provisions of state law relative to background checks. Additionally, Stargate encourages a gifted endorsement.

3. **Employee Policies**

The Board reviews and approves a staff handbook each year that outlines employment policies.

### Students

When it comes to student issues, the Board's role is two-fold: (1) the Board must develop and govern enrollment and transportation policies; and (2) the Board, like an appellate court, must review the Executive Administrator's actions and determine whether he or she has adhered to various school laws and policies, particularly those involving student discipline.

1. **Enrollment – Admissions**

The Board reviews and approves the admissions requirements each year to ensure compliance with the Charter Contract.

2. **Enrollment – Special Education Requirements**

Stargate School will not deny, reject, punish, dismiss, expel, or otherwise discriminate against any student on the basis of his or her exceptionality or disability. Moreover, Stargate will comply with all requirements to ensure that children with exceptionalities or disabilities enjoy their right to a Free and Appropriate public Education (FAPE) as guaranteed by state and federal laws.

3. **Enrollment – ELL Requirements**

Stargate School will comply with all legal requirements governing the education of English Language Learners (ELLs) as well as communication with *parents* of ELL students.

4. **Discipline & Complaint Procedure**

The Board reviews and approves the Communication Pathways and the Board Communication and Complaint Policy each year to ensure the process by which interested parties can formally file complaints with the school or appeal the Executive Administrator's decision. The Board makes sure that the policies and procedures are followed.



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## ADDITIONAL RESOURCES

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Colorado Department of Education: Colorado Charter Schools  
<https://www.cde.state.co.us/cdechart>

Colorado League of Charter Schools  
<http://coloradoleague.org/>

Adams 12 School District  
<https://www.adams12.org/>