

## Updates to the Charter School Law and Public School Code

Governor Shapiro signed Act 55 of 2024 (Act 55) on July 11, 2024. Act 55 amends various provisions of the Public School Code of 1949, including several provisions that affect both charter schools and cyber charter schools. For your awareness, the certain provisions of the School Code, including the Charter School Law (CSL), amended by Act 55 are summarized below.<sup>1</sup> Please note this summary is not an exhaustive list of all provisions amended via Act 55 that may affect charter schools or cyber charter schools.

**Section 134 was added related to advertising and sponsorships.** Public school entities, which is defined to include charter school entities, are required to disclose total expenditures for paid media advertising and sponsorships of public events for the 2024-25 school year.<sup>2</sup> Paid media advertisements include print and electronic ads that may promote enrollment in a public school entity. Public event means an event that members of the public may attend, has been publicly announce ahead of time, and for which admission may be charged, but does not include school-sponsored activities. Any paid media advertisement that refers to tuition, technology, transportation, or other expenses may not refer to the expenses as free and must indicate that the cost is covered by taxpayer dollars.

**Section 1310-B** was amended related to school safety and security training. Specifically, a cyber charter school may waive or provide an alternate training opportunity to address the in-person school safety and security training requirement for any cyber charter school employees who are not located in Pennsylvania and who exclusively provide instruction remotely. This change applies to the training enumerated in 24 P.S. § 13-1310-B(a)(1.1)(i). Waivers or alternate training must be attested to annually by the cyber charter school through the school safety and security coordinator report, which is submitted to the School Safety and Security Committee of the Pennsylvania Commission on Crime and Delinquency (PCCD).

**Section 1703-A (related to Definitions)** was amended to update existing definitions and add new definitions to the CSL.

- “Charter school entity” is a new term and is defined as a charter school, regional charter school, cyber charter school or multiple charter school organization.<sup>3</sup>
- “Chief Executive Officer” has been amended to “Chief Administrator” and a definition of “Administrator” has been added to section 1703-A. An “Administrator” includes the chief administrator of a charter school entity and all other employes of a charter school entity who by virtue of their positions exercise manager or operational oversight responsibilities.
- Additional new terms that have been added include: “charter school foundation,” “compensation,” “educational management service provider,” family member,” “multiple charter school organization,” and “nonrelated.”

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<sup>1</sup> More information about the updates amendments made to section 1725-A (related to Funding for Charter Schools) and the addition of section 1725.1-A of the CSL (related to Funding for Cyber Charter Schools) will be published by the Bureau of Budget and Fiscal Management.

<sup>2</sup> Information must be reported to the Department no later than Aug. 1, 2025. The Department is required to compile the reports due under this section and publish them on a publicly accessible internet website no later than December 1, 2025.

<sup>3</sup> As used in sections 1715-A and 1716-A, “charter school entity” shall mean charter school, regional charter school or cyber charter school.

**Section 1715-A (related to Charter School Requirements)** was amended to address certain requirements for charter school entity trustees and administrators.

Section 1715-A was amended to clarify that trustees of charter school entities are public officials under the Public Official and Employee Ethics Act (65 Pa. C.S. Chapter 11) who now have the express obligation to file statements of financial interest with both the State Ethics Commission and the local board of school directors, in the case of a charter school or regional charter school, or PDE, in the case of a cyber charter school. Statements of financial interest must be filed by May 1 of each year trustees hold their position and the year following their departure. Additionally, trustees of charter school entities are required to be Pennsylvania residents and shall take an oath of office prior to assuming or executing the duties as a trustee.

Section 1715-A was also amended to clarify roles and responsibilities of administrators. Administrators are public employees under the Public Official and Employee Ethics Act (65 Pa. C.S. Chapter 11) who must file a statement of financial interest with the board of trustees by May 1 of each year the position is held and the year after an individual leaves the administrator position. Additionally, administrators may not receive compensation from another charter school entity or an educational management service provider unless: 1) the administrator has submitted a sworn statement to the board of trustees detailing the work to be done, the projected hours, rate of compensation, and projected duration; 2) the board of trustees reviews the statement and passes a resolution permitting such receipt of compensation; and 3) copies of the sworn statement and resolution are provided to the charter school entities, and local board of school directors, in the case of a charter school or regional charter school, or PDE, in the case of a cyber charter school.

Further restrictions on administrators include: neither an administrator nor a family member of an administrator can serve as voting member of the board of trustees on a charter school entity that employs the administrator; administrators cannot participate in the selection, award, or administration of a contract where the administrator has a conflict of interest (*see* 65 Pa. C.S. § 1102); administrators are subject to penalties imposed under the jurisdiction of the State Ethics Commission for knowingly violating their ethical obligations. Finally, administrators shall be immediately dismissed from their position upon conviction for an offense graded as a felony, an infamous crime, an offense pertaining to fraud, theft or mismanagement of public funds, or any crime involving moral turpitude.

**Section 1716-A (related to Powers of Boards of Trustees)**

Section 1716-A was amended related to charter schools and regional charter schools chartered after July 11, 2024. Specifically, an individual may not serve as a voting member of the board of trustees for these schools if the individual or family member receives compensation from or is employed by or is a member of the local board of school directors who participated in the initial review, approval, oversight, evaluation or renewal process of the charter school or regional charter school.

Section 1716-A was further amended to provide that in the event of a conflict of interest (*see* 65 PA C.S. § 1102), a trustee of a charter school entity must recuse themselves from participation in the contracting process, or if their official duties bring them into conflict on a voting matter, must abstain and follow the procedure in 65 PA C.S. § 1103(j). A trustee of a charter school entity who knowingly violates these provisions shall be subject to penalties imposed by the State Ethics Commission and any contract made in violation of the prohibitions could be rendered voidable. Further, a trustee of a charter school entity is not eligible for compensation for their service on a charter school entity's board. Finally, a trustee of a charter school entity will be automatically disqualified for further service and immediately removed from their board if they have been convicted of a felony, an infamous crime, an offense pertaining to fraud, theft or mismanagement of public funds, any offense pertaining to the trustee's official capacity as a trustee, or any crime of moral turpitude.

The board of trustees of a charter school entity shall have no less than five nonrelated voting members. If, as of July 11, 2024, a charter school entity has fewer than five nonrelated members serving on the board of trustees, the charter school entity must appoint additional members within 180 days. Within one year of the effective date of the Act, at least one member of the board of trustees of a charter school entity shall be the parent of a student currently enrolled in and attending the charter school entity<sup>4</sup>.

A quorum of board members is required to transact business, and a majority of voting members shall constitute a quorum. When voting on the following matters, an affirmative vote of a majority of all the members is required in order to take official action: budgeting, curriculum, operating procedures, employment matters and other matters related to the operation of the school.

A charter school entity shall form an independent audit committee from its members of the board of trustees to review the charter school entity's annual certified audit related to the operations of the charter school entity. Requirements for the audit include:

- The audit must be conducted by an independent certified public account using generally accepted audit standards.
- An audit must include the following: an enrollment test to ensure accuracy of enrollment and reporting; review of trustee and administrator expense reimbursement; review of internal controls, including review of receipts and disbursements; review of annual federal and state tax filings; review of the financial statements and tax returns of any charter school foundation; review of the selection and acceptance process of contracts publicly bid pursuant to Section 751 of the School Code; and review of board policies and procedures regarding internal controls, code of ethics, conflicts of interest, whistleblower protections, complaints from parents or the public, compliance with open meetings laws, finances, budgeting, audits, public bidding and bonding.
- The audit is a public document and must be make available on the charter school entity's public website and, in the case of a charter school or regional charter school, on the local school district's public website.

A charter school entity must annually provide PDE, and in the case of a charter school or regional charter school, the local school district, a copy of its annual budget, that identifies: the source of funding for all expenditures; the amount of funds and description of use of funds provided by a charter school foundation; the salaries of all administrators; and all expenditures to an educational management service provider.

A charter school entity and any affiliated charter school foundation must make available all annual and federal and state tax filings, by providing copies upon request and posting on their publicly available websites. Additionally, any charter school foundation must make copies of its annual budget available upon request and on the charter school foundation's or charter school entity's publicly accessible website; the annual budget must include the salaries of all employees of the charter school foundation.

**Section 1722-A (related to Facilities)** was amended to provide cyber charter schools with reasonable access to facilities of school districts, intermediate units, community colleges, and PASSHE institutions for the purposes of administering standardized tests. Cyber charter schools must provide at least 60 days' notice of their need for testing space. Once notified, the school or institution has 30 days to provide the location. The space must be quiet and separate from the students of the school or institution. However, a host school or institution is not required to make facilities available at dates and times that may cause undue interference with its own educational programs, and they may charge a rental fee to the cyber charter school that is consistent with fees charged to other community groups that access the school's or institution's facilities.

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<sup>4</sup> This requirement does not apply to charter school entities primarily serving adjudicated youth.

**Section 1748-A (related to Enrollment)** was amended to shorten the amount of time a cyber charter school must notify a student's district of residence of the student's enrollment in or withdrawal from a cyber charter school from 15 days to 10 days.

**Section 1748.1-A (related to Enrollee Wellness Checks)** was added to require cyber charter schools to conduct wellness checks at least once a week related to each enrolled student. A week is defined as at least three full or partial days of academic instruction. Students must be visibly seen and communicated with by a teacher, administrator, or cyber charter school representative, in person or via electronic means, such as by activating a webcam during synchronous online instruction. The goal of the weekly checks is to verify the student is participating in educational activities and to ensure the student's well-being. Any indications of abuse, neglect or harm to a child witnessed during the wellness check must be reported in accordance with 23 Pa. C.S. Chapter 63.

PDE will be collecting policies and procedures related to implementation. Information on timelines and procedures for submission will be forthcoming.

**Section 1749-A (related to Applicability of Other Provisions)** was amended in the following manner:

Cyber charter schools are now specifically subject to the following statutes:

- Sections 1341, 1342, 1343, 1344, and 1345 of the School Code (sections pertaining to Attendance Officers and Home and School Visitors);
- Section 1372(8) of the School Code (addressing reporting of expenditures relating to exceptional students);
- 18 Pa. C.S. Chapter 28 (related to Antihazing);
- 42 Pa. C.S. § 5803(a)(3.1) (related to Asset Forfeiture).

Cyber charter schools are now specifically subject to the following regulations:

- 22 Pa. Code: Chapter 16 (related to Special Education for Gifted Students);
  - Cyber charter schools must provide services and programs planned, developed, and operated for the identification and evaluation of each gifted student.
  - Cyber charter schools must provide gifted education for each gifted student which is based on the unique needs of the student. This includes gifted education that allows gifted students to participate in acceleration or enrichment programs, or both, as appropriate, and to receive services according to their intellectual and academic abilities and needs.
  - Cyber Charter schools must complete the Chapter 16 gifted plan within the Comprehensive Plan that is submitted every 3 years beginning in 2024.
- 22 Pa. Code: Chapter 19 (related to Educator Effectiveness Rating Tool)
  - Cybers must use the Act 13 Rating Forms (13-1, 13-2, 13-3, and the optional 13-4), and educators will be required to be evaluated based on the components outlined in Act 13 of 2020.
    - Temporary Professional Employees (TPEs) must have two evaluations per year. For the purpose of cyber schools, TPEs are Classroom Teachers and Non-Teaching Professionals who are not certified (see note).

- Professional Employees (PEs) must have one evaluation per year. For the purpose of cyber schools, PEs are Classroom Teachers and Non-Teaching Professionals who are certified (see note).
  - Note: Principals, special education teachers and supervisors, school nurses, school psychologists, and 75% of the remaining professional staff must be certified. The CEO of a charter school is not considered a professional staff member of a charter school; however, if the CEO performs the duties of a principal, that individual must hold appropriate state certification as a principal.
  - Article XI of the School Code is not applicable to cyber charters, unless specifically noted in a statutory provision. Cybers schools should consult with their solicitors as to implementation.
- [Roster verification \(RV\) resources](#) for LEAs are all collected on this website including timeframes, checklists, and general resources for how to get started.
    - ***As of July 11, 2024, pursuant to 24 P.S. § 1749-A(b)(3.2), cyber charter schools are subject to 22 Pa Code Chapter 19 (relating to educator effectiveness)*** and should submit Staff Student Subtest Data and receive PVAAS teacher specific reporting. The cyber charter school should fully complete the roster verification process to ensure that the right students are linked to the right teachers for the right % of Instructional Responsibility.
    - Related to RV must be completed for cyber charter schools, teachers will participate in roster verification in:
      - SY24-25
      - SY25-26
      - SY26-27
  - The data release of Fall 2027 will be the first time a teacher could have a 3-year composite for use in completing SY26-27 evaluations.
  - Note! %P/A is a one-year metric and can be included in SY24-25 evaluations.
- 22 Pa. Code: Chapter 339 (Vocational Education), Section 339.31 (related to Plan);
    - Cyber charter schools will be required to submit a Guidance Plan through the FRCCP.
    - Information on timelines and procedures for submission will be forthcoming.
  - 22 Pa. Code: Chapter 339 (Vocational Education), Section 339.32 (related to Services)
    - Cyber charter schools will be required to submit a plan under 22 Pa. Code 339.32 related to services provided by the cyber charter school through the FRCCP.
    - Information on timelines and procedures for submission will be forthcoming.

PDE will release future communications about these legislative changes to schools, which may include but are not limited to forms, Basic Education Circulars, applications, and targeted communications. PDE strongly encourages charter schools and cyber charter schools affected by these changes to evaluate whether they are currently in compliance and if not, what steps are necessary to come into compliance.