

## EXHIBIT C

### ACCOUNTABILITY PLAN

#### CHARTER ACCOUNTABILITY PLAN - STARTING IN 2024-2025 SCHOOL YEAR

The Board and the Charter School have determined that it is in the best interests of the Board, the Charter School, students, parents and the public to articulate clear standards for the Charter School. The governing board of the Charter School shall be responsible for overseeing the academic performance of the Charter School and ensuring the academic success of the Charter School's students. Additionally, the governing board of the Charter School is responsible for ensuring that the Charter School's financial management and compliance meets the minimum acceptable standards, defined as Average performance in the below plan. The governing board of the Charter School shall be held accountable through an annual performance evaluation and the publishing of a public Performance Scorecard outlining the level of achievement of the Charter School with respect to those standards, based on data collected during the prior school year.

#### 1. Accountability Components

The Board and the Charter School hereby agree that the Charter School and each of its Attendance Center or campus, if applicable, shall be evaluated annually in accordance with the Agreement and this Accountability Plan and any other resolutions adopted by the Board related to Charter School Accountability, including, without limitation, Board Resolution No. 22-0223-RS3. Said policies and resolutions, as may be amended or replaced from time to time, are hereby incorporated by reference into and made a part of this Agreement as if fully set forth herein.

#### 2. Annual Performance Scorecard

Annually the Board shall publish a Performance Scorecard indicating the Charter School's performance overall and by each Attendance Center or campus, if applicable, on each of the indicators ("Indicators") in the following two categories: (i) Pupil Performance and (ii) Financial Management and Compliance. The Board reserves the right to also publish any underlying documentation with respect to such Performance Scorecard including, but not limited to, the Financial Audit of the Charter School as referenced in paragraph 6.a. of the Agreement. A Performance Scorecard for the preceding school year will be issued each year as soon as the data and corresponding analysis is available.

For the Pupil Performance Indicators, the Board will assign Charter Schools an accountability designation for purposes of comparison to other CPS schools and public

reporting. The level of the Charter School's achievement and progress will be determined by a set of Indicators measuring, among other things, student academic performance and growth, attendance, progress toward graduation, post-graduation success, school culture and climate, and data quality.

Charter schools will receive a status based on ISBE's designations aligned to ESSA:

1. All schools designated "Exemplary" or "Commendable" by ISBE will be deemed to have met or be making reasonable progress toward student academic achievement standards in accordance with Section 27A-9(c)(2) of the Illinois School Code.
2. All schools designated "Targeted" or "Comprehensive" by ISBE are subject to contract revocation or non-renewal for failure to meet or make reasonable progress toward student academic achievement in accordance with Section 27A-9(c)(2) of the Illinois School Code and will be placed on the Intensive Academic Support List. However, no school designated as "Targeted" or "Comprehensive" will have its charter revoked or non-renewed based solely on this status.

For the Financial Management and Compliance Indicators, the Charter School's performance on each Indicator will be rated as follows:

- Exceeds Standards – Above average performance
- Meets Standards – Average performance
- Does Not Meet Standards – Below average performance

This Accountability Plan establishes the performance levels, listed below, which generate the ratings for each Indicator. However, additional information or extenuating circumstances may lead the Board to rate an Indicator higher or lower than when performance level criteria are strictly applied.

## **A. Pupil Performance**

### Standardized Tests

The Charter School shall participate fully in assessments required by the State of Illinois as well as any other assessments required by the district's accountability policies during the administration period agreed upon by the Chicago Public Schools and the Charter School.

### Additional Student Performance Indicators and Data Required

Additional metrics may also be assessed including, but not limited to, the Charter School's attendance rate, freshman on track rate (for high schools), one-year dropout rate (for high schools), Advanced Placement ("AP") exam metrics (for high schools), International Baccalaureate ("IB") exam metrics (for high schools), early college credit (for high schools), career certifications (for high schools), graduation rate (for high schools), college enrollment and persistence (for high schools), and data quality. Additionally, all schools will be required to administer the My Voice, My School survey annually.

In general, schools will be required to submit all relevant data necessary to calculate ISBE's summative designations, including but not limited to:

- ELA & Math Proficiency (ES & HS)
- Science Proficiency (ES & HS)
- EL Progress to Proficiency (ES & HS)
- 4, 5, and 6-year HS Graduation Rate (HS)
- ELA & Math Growth (ES)
- Chronic Absenteeism (ES & HS)
- Climate Survey Participation (ES & HS)
- 9th Grade On-Track (HS)
- College and Career Readiness (HS)
- P-2 Indicator (ES)
- Elementary/Middle Indicator (ES)
- Fine Arts Indicator (ES & HS)

### Annual Measurable Objectives

As required by the Federal Every Student Succeeds Act ("ESSA"), as may be amended from time to time, Illinois has set annual measurable objectives. Charter Schools failing to meet annual measurable objectives may face sanctions under applicable State and Federal laws.

### Comparison Metrics

The Charter School's academic performance shall be reviewed annually relative to the performance of other schools within CPS on metrics based on assessments mandated and other metrics measured by the State of Illinois.

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## B. Financial Management and Compliance

The following Financial Management and Compliance Categories will be included on and evaluated for each Performance Scorecard: Financial Condition, Financial Controls, Reporting, and Legal Compliance. The Charter School will receive a rating for each Indicator based on the rubric described below. Performance against each Indicator will be reported on the Annual Performance Scorecard.

### Financial Condition

This category measures the overall financial health of the school based on the change in net assets, current ratio (liquidity), net asset ratio, cash on hand ratio, and loan delinquency. Ratings will be assigned for each Indicator as follows:

Indicator	Exceeds Standards	Meets Standards	Does Not Meet Standards
Change in Net Assets (Key Indicator)	Both the sum of last three years Change in Net Assets is greater than or equal to 2% of the sum of last three years total revenue and current year Change in Net Assets is greater than or equal to 2% of current year revenue	Either the sum of last three years Change in Net Assets is greater than or equal to 2% of the sum of last three years total revenue or current year Change in Net Assets is greater than or equal to 2% of current year revenue, or Total Net Assets are 20% or more of current year revenue	Neither the sum of last three years Change in Net Assets is greater than or equal to 2% of the sum of last three years total revenue or current year Change in Net Assets is greater than or equal to 2% of current year revenue
Current Ratio (Key Indicator)	Current Ratio is greater than or equal to 3.0	Current Ratio is less than 3.0 but greater than or equal to 1.1	Current Ratio is less than 1.1
Net Asset Ratio (Key Indicator)	Net Asset Ratio is greater than or equal to 50%	Net Asset Ratio is less than 50% but greater than or equal to 20%	Net Asset Ratio is less than 20%
Cash on Hand Ratio (Key Indicator)	Cash/avg. monthly expenses greater than or equal to 3.0	Cash/avg. monthly expenses less than 3.0 but greater than or equal to 1.0	Cash/avg. monthly expenses is less than 1.0
Loan Delinquency	No late payments in the last twelve	One or two late payments in the last twelve months	Three or more late payments in the last twelve months

	months or no outstanding debt		
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The Board shall use the annual Financial Audit, required under paragraph 6.a, along with any other relevant information as part of the Financial Condition Category.

### Financial Controls

This category assesses the fiscal soundness of the financial system in place at each school, taking into consideration the auditor's independent review.

Indicator	Exceeds Standards	Meets Standards	Does Not Meet Standards
Annual Audit	Unqualified opinion, no significant deficiencies or material weaknesses	Unqualified opinion, one or two significant deficiencies and no material weaknesses	Unqualified opinions, one material weakness or more than two significant deficiencies; or an audit with a qualified opinion

The following items, required by paragraph 6.a of the Agreement, shall be evaluated and presented as part of the Financial Controls Category:

- i) the Charter School's audit report opinion on its financial statements; and
- ii) the Charter School's audit report on compliance and internal control over financial reporting based on an audit of the financial statements performed in accordance with Government Auditing Standards and the Single Audit Act of 1984, as amended.

### Reporting

This category measures a school's timely submission of documents. Documents include annual budgets, quarterly financial statements, audit reports, and other compliance documents required at the federal, state, and local levels as outlined in the compliance chart from the Office of Innovation and Incubation ("I&I").

Indicator	Exceeds Standards	Meets Standards	Does Not Meet Standards
Fed/State/CPS Compliance Document Timeliness	On-time submission percentage is greater than or equal to 95%	On-time submission percentage is less than 95% but greater than or equal to 80%	On-time submission percentage is less than 80%

## Legal Compliance

This category measures legal compliance reflected and reported in the annual audit and detailed in any findings

Indicator	Exceeds Standards	Meets Standards	Does Not Meet Standards
Legal Compliance	Auditor report on compliance reflects no findings	Auditor report on compliance reflects one or two findings	Auditor report on compliance reflects three or more findings; or repeat finding

The following items, required by paragraph 6.a.iii. of the Agreement shall be tested and reported upon annually by the Charter School's independent auditor and evaluated and presented as part of the Legal Compliance Indicator (all references to statutes herein below are to the statutes as they may be amended):

- i. Compliance with all Federal and State laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, gender, national origin, religion, ancestry, marital status or need for special educational services pursuant to 105 ILCS 5/27A-4(a);
- ii. Compliance with the Freedom of Information Act and Open Meetings Act pursuant to 105 ILCS 5/27A-5(c);
- iii. Compliance with all non-curricular health and safety requirements applicable to public schools under the laws of the State of Illinois and the City of Chicago pursuant to 105 ILCS 5/27A-5(d);
- iv. Compliance with all Federal and State laws and rules applicable to public schools that pertain to special education and the instruction of English learners pursuant to 105 ILCS 5/27A-5(g);
- v. Compliance with all enumerated State laws and regulations applicable to Charter Schools in accordance with 105 ILCS 5/27A-5(g); and
- vi. Conformance with the following paragraphs of the Agreement:
  - a) Paragraph 4.d., an application process, open enrollment process and lottery,
  - b) Paragraph 5.c., the school's governance structure,
  - c) Paragraph 5.d., maintenance of corporate status and good standing,
  - d) Paragraph 5.f., completion of criminal background checks and adjudication process,
  - e) Paragraph 6.j., compliance with Illinois Pension Code,
  - f) Paragraph 6.k., ongoing presence of management and financial controls,
  - g) Paragraph 6.p., monitoring of public funds used for advertising,

- h) Paragraph 7., the school's facility(ies)/ Attendance Center(s) and ADA compliance, and
- i) Paragraph 9., maintenance of required insurance coverage.

In addition to the above items, the Board will also consider the Charter School's compliance with I&I's compliance requirements and the teacher qualification requirements in accordance with both the Charter Schools Law (Section 27A-10). Failure to comply with either the compliance requirements or the teacher qualification requirements shall affect the rating on the Legal Compliance Indicator.

When determining how to classify a Financial Management and Compliance Indicator, the Board may consider information from various sources including, but not limited to, Financial Audits, site visits, spot checks or spot audits to verify enrollment and/or attendance data, and any information provided by other CPS departments, parents, or employees.

If a Financial Audit states that there were material weaknesses or significant deficiencies found, the Board may request from the Charter School the auditor's management letter and/or an opinion from a qualified, third-party professional regarding the importance of the finding. The Board shall also ask the Charter School to respond to the finding.

To further strengthen the Board's financial accountability process, the Board has established baseline financial standards for the Charter School which have been detailed below:

#### Financial Remediation Process

I&I shall oversee a financial remediation process ("Financial Remediation Process") that requires a Charter School to submit documentation to I&I regarding the Charter School's financial health. As indicated above, there are four "Key Indicators" related to financial performance. A Charter School shall enter the Financial Remediation Process if:

- At least two (2) out of four (4) Key Indicators are not meeting standards in one (1) fiscal year, or
- Exigent circumstances cause the Charter School unexpected financial hardship.

A Charter School that begins the Financial Remediation Process for the first time or begins in a non-consecutive year shall be required to submit monthly cash flow statements to I&I, with the possibility of other requirements.

A Charter School in its second consecutive year of the Financial Remediation Process shall be required to submit a financial corrective action plan ("Financial Corrective Action Plan") and other required documents to I&I. This Financial Corrective Action Plan should detail the actions the Charter School will take to improve its financial position.

Nothing in this policy shall prohibit the Charter School from being subject to non-renewal or revocation based on the totality of factors, except that no school's charter shall be revoked or non-renewed based solely on academic accountability standards. The financial factors that may be taken into consideration include, but are not limited to: (i) the Charter School's financial situation is severe enough that it impacts the education of students, (ii) the Charter School not successfully completing the Financial Corrective Action Plan within the Financial Remediation Process, or (iii) the Charter School being in the Financial Remediation Process for more than half of the duration of its Agreement. These criteria may also be considered for expansion, replication, or a shortened renewal term.

### 3. Charter School Participation in the Accountability Process

The Charter School shall take all necessary actions to collect and report the information required by this Accountability Plan for the Charter School overall and by each Attendance Center or campus, if applicable, including, without limitation:

- A. Full participation in the administration of all required student assessments, as the case may be, including all procedures designed to safeguard the integrity of the assessments;
- B. Participation in site visits conducted by the Board to ascertain that sufficient, minimum educational, facility, and operational practices are in place;
- C. An annual financial and compliance audit, as required by law, including but not limited to, the Single Audit Act Amendments of 1996 (31 U.S.C. §7501-07, as amended), OMB Circular A-133, and the compliance requirements set forth in OMB Compliance Supplement, and by the Agreement;
- D. Provision of student, school, and employee information required by the Agreement and/or the Accountability Plan;
- E. Submission and implementation of ADA Plan(s) for the Attendance Center(s) required by the Agreement;
- F. Provision of information that is necessary to evaluate parent, student, employee, or public allegations or audit findings that, if true, would constitute a violation of the law or Agreement; and
- G. Provision of additional information or cooperation in other actions not listed in this section necessary to evaluate the Charter School's performance with respect to the Financial Management and Compliance Categories.

### 4. Renewal, Non-Renewal and Revocation



The Board shall evaluate the Charter School in accordance with the Accountability Plan and may rely on its evaluation of one or more Indicators included in the Accountability Plan when the Board acts to revoke, renew, or not renew the Charter School's charter (except that no school's charter shall be revoked or non-renewed based solely on academic accountability standards). Depending upon the circumstances, any Indicators for the current year of the Charter School or any optional site visit(s) by the Board may or may not be considered when the Board evaluates the Charter School against this Accountability Plan.

School renewal recommendations will be based on the academic, financial, and operational performance during the entirety of a school's contract term, or the last three years, whichever is longer. The district will also use an equity lens as set forth in the CPS Equity Framework and consider community impact when making renewal recommendations.

If a charter school seeks to renew its contract, the CEO will make recommendations concerning the Charter School's ability to meet or make reasonable progress toward student academic achievement standards to the Board. A charter school campus will be considered to be meeting or making reasonable progress toward achievement of the content standards or pupil performance standards if the Charter School receives an ISBE Summative Designation of Exemplary or Commendable.

Charter school operators who operate two or more charter schools or campuses will have each school or campus evaluated individually for renewal or non-renewal.

When the Board considers revoking a charter, it may take into account whether the Charter School has failed to implement its academic remediation plan and adhere to the timeline as defined by the Board.

The Board may act to renew, not renew, or revoke a charter of the Charter School during the term of the Agreement in accordance with paragraphs 12 and 13 of this Agreement.