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**PIONEER PRESS**  
**EDITORIALS**

FINANCIAL OVERSIGHT

## Charter school board could ease concerns

As the birthplace of the charter school movement, Minnesota has a special obligation to nurture and advance this educational innovation. However, the shutdown of two St. Paul charter schools last year because of financial misdeeds and a new investigation of five other charter schools, all under the same management, have triggered legislative discussions about how best to react.

This is the critical question: Will changes advance or impede the movement?

One solution before legislators is to create a state board for charter schools. The proposed seven-member board, appointed by the governor, would fulfill an important obligation in offering technical assistance to potential sponsors. Its advice would include lessons on selecting the best people to serve on an individual charter school's board, strengthening financial management and interpreting state regulations.

Charter schools, introduced 10 years ago, operate independently of the traditional public school system, but receive public funding.

Useful as the proposed board would be in strengthening the charter school movement here, the Legislature also should assure that charter schools are disclosing enough information about their finances and operations to head off trouble.

Parts of a bill sponsored by Rep. Matt Entenza, DFL-St. Paul, are worth considering.

Entenza's investigations into the financial practices of 50 charter schools have led him to see the need for more protections against conflicts of interest. For example, he wants to prevent those who contract for goods and services with the school from serving on the school's board of directors. He wants audits to be of uniform quality, and charter schools to disclose employee salaries and the terms of all management agreements and contracts. He would require school lease charges to be consistent with an appraiser's market value estimate.

The Legislature must be careful not to overburden the charter school movement with regulation. Accountability and assistance measures offer more hope for healthy growth of charter schools and heading off small problems before they multiply.

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