

# FAQ

## Charter schools: OSBA legal status change

### What is happening?

OSBA's legal status is changing effective July 1, 2018. To preserve its tax-exempt status and maintain its political and legislative advocacy roles, OSBA is becoming a nonprofit corporation under ORS Chapter 65. In November and December 2017, member boards voted to approve the status change.

### How will this impact charter schools, which are currently associate members of OSBA?

Under the new designation, federal tax guidelines will prohibit OSBA from accepting dues and service fees from entities that are not political subdivisions of the state, including charter schools. Therefore, beginning July 1, 2018, OSBA will not be able to offer associate memberships to charter schools or contract directly with them for services.

### Will charter schools still be able to access OSBA services?

Yes. However, charter schools will not be able to access OSBA services directly. Charter schools *will be able to* access OSBA services through their sponsors. How will this work? First, a charter school and its sponsor would sign a memorandum of understanding indicating that the sponsor gives the charter school permission to access OSBA services (OSBA has drafted a sample memorandum of understanding). Found here: <http://www.osba.org/-media/Files/Resources/Board-Operations/Charter-Schools/Sample-MOU.pdf?la=en>

Once this agreement has been provided to OSBA, the charter school would be able to schedule services with OSBA. Then OSBA would send a memorandum of understanding to the district and would invoice the district for the service. The agreement between the district and the charter school could address how the charter school would reimburse the district for payment to OSBA, but this would be a district-level decision.

### Can charter schools still call for advice?

Yes. This change only affects OSBA's ability to contract directly with charter schools for services. As long as the sponsoring district is a member of OSBA, any charter school it authorizes could call for advice without going through the district.

## **Will single-school districts that are charter schools be affected?**

No. Single-school charter districts are still considered school districts, and would continue to be full members of OSBA.

## **Will charter schools sponsored by the State of Oregon still be able to receive OSBA services?**

Yes. Charter schools sponsored by the Oregon State Board of Education will need to have a signed agreement with their sponsor to allow them to access OSBA services, just as district-sponsored charter schools will.

## **What if our sponsor doesn't agree to give us access to OSBA services?**

It is OSBA's hope that all districts will recognize the value of training, policy services, conference attendance, and other services accessed by charter schools through OSBA, and will authorize all their charter schools to receive services. To ease the transition for all involved, OSBA has developed a sample memorandum of understanding (found here: <http://www.osba.org/-/media/Files/Resources/Board-Operations/Charter-Schools/Sample-MOU.pdf?la=en>) for districts and charter schools to ensure continued access to OSBA services.

## **Will charter school membership in PACE be impacted?**

No. Charter schools' membership and participation in PACE insurance will not be impacted or interrupted by this transition.

## **When does this take place?**

This change goes into effect on July 1, 2018.

## **What if I have questions?**

Please contact OSBA Executive Director Jim Green or OSBA Deputy Executive Director Mary Paulson or email [info@osba.org](mailto:info@osba.org).