



MN Association of  
Charter Schools

*Unleashing Education from Convention*

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# The Cost of Authorizing Minnesota's Chartered Public Schools for 2022-2023 (FY 23)

*Annual Authorizers' Income and  
Expenditures Compilation Report*

**A Publication of  
the Minnesota  
Association of  
Charter Schools**

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# History of Authorizer Income & Expenditures

Among the many accountability reforms enacted to Minnesota's second-generation charter school law in 2009, were two specific provisions that addressed the cost of authorizing.

The first provision established a new fee structure and significantly increased potential oversight fees paid by schools to authorizers. The structure was tied to the general basic formula schools receive from the state. Authorizers receive an automatic increase in fees as the general basic school formula increases. The new structure was phased in over a four-year period.

In FY 23, over \$3,806,000.00 million dollars was paid by schools to authorizers for oversight responsibilities.

The second provision established a requirement that authorizers annually submit by September 30th a report of their oversight expenses for the previous charter contract/academic year to the Commissioner of Education, as well as to the schools the authorizer charters. The expenditure reports are designed to ascertain the real cost of authorizing, as well as to ensure that funding for authorizing responsibilities is not being diverted for other operations of an authorizer.

These two provisions went into effect on August 1, 2009. Given there was no reporting requirement prior to the change in law, the first reports should have been due on September 30, 2010, for the 2009-2010 (FY10) charter contract year.

That fall, the MN Association of Charter Schools made multiple requests to MDE for those reports. It was unclear whether the authorizer expenditure reports were ever requested or collected by MDE as it did not have copies of the reports in its database and was not able to locate hard copies of these reports.

MDE began requesting the authorizer reports in FY 11.

- In FY 11, only 18 of the 40 plus authorizers submitted the required expenditure report.
- In FY 12, 26 of the 37 authorizers submitted the required expenditure reports.
- In FY 13, 19 of the 25 authorizers submitted the required expenditure report.

In 2013, the charter school law was amended to require that authorizers not only report expenditures but also their income including the fees paid by the schools.

Beginning with FY14 authorizer reports were to include the reporting of income. In FY14, all but two (2) authorizers reported their income. Since FY15 all authorizers have reported their income and expenditures.

**Today, there are still issues with getting a clear and accurate picture of authorizer expenses across the sector given that not all authorizers use the MDE Income & Expenditure Report Form.**

- The picture is further clouded as it is not clear what expenditures fall into the different expense categories as there are not common definitions, so the same type of expense can be reported in different categories.
- The picture is even more opaque given that authorizers are not required to report fund balances from year to year, as well as the fact that there is no transparency of what some authorizers do when they have a year-end surplus.
- Finally, there is a lack of transparency and when an authorizer withdraws as an authorizer to submit a final-year report and account for any funds that may when they withdraw.

## Overview (FY 23)

- **5 of the 12 Authorizers** reported more income than expenditure in FY 23.
- **7** reported more expenditures than income in FY 23.
- Average Per School Oversight Cost:

FY 23 – \$21,134.63 – an increase of 7.8 %  
FY 22 – \$19,611.76

- Total Authorizers **Net Income** in the last five (6) Fiscal Years: **\$2,080.30**

FY 23	\$2,080.30
FY 22	\$262,190.60
FY 21	\$367,368.77
FY 20	\$199,971.30
FY 19	\$76,200.01
FY 18	\$228,382.02

- Records prior to FY 18 indicate at least an additional \$500K, total fund balance is closer to \$1.8 million.

## Recommendations to Enhance Transparency & Accountability

The MN Association of Charter Schools recommends the following changes to enhance transparency and accountability:

- Require authorizers to report previous year's fund balance as well as cumulative fund balances or losses in MDE Annual Income & Expenditure Report.
- Require any fund balance when an authorizer withdraws, or loses the right to authorize, be returned to the schools it authorized.
- Develop common definitions of what expenses fall into each expense category on the MDE Annual Income and Expense Report.
- Require authorizers to use the MDE Annual Income & Expenditure Report Form.
- Require MDE to annually review and comment on an authorizer's use of income generated from the schools to ensure it is being expended on the monitoring and oversight responsibilities of the authorizer.

## Facts & Findings (FY 23)

Number of Approved Authorizers in FY 23 12

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Total Authorizer Income \$3,806,313.20

Total Authorizer Expenditures \$3,804,232.90

Total Authorizer Net Income \$2,080.30

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Average **Per Operational School** Oversight Cost \$21,252.70

2023 – Average **Per Pupil** Oversight Cost \$56.03

2022 – Average **Per Pupil** Oversight Cost \$54.02

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Authorizer with Lowest Reported **Per School** Authorizing Cost (Northfield) \$13,490.87

Authorizer with Highest Reported **Per School** Authorizing Cost (SAM) \$31,744.80

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## Income & Expenditure Breakdown (FY 23)

Authorizer	# of Operational Schools	Total Income	Personnel Expenditures Subtotal	Administrative Expenditures Subtotal	Other Subtotal	Total Expenditures	Net Income/ Deficit
Chisago Lakes School District	1	\$27,182.85	\$10,782.67	\$2,909.31	0	\$13,490.87	\$14,673.08
Friends of Education (FOE)	11	\$305,472.00	\$43,955.00	\$66,119.00	\$226,391.00	\$336,465.00	(\$30,993.00)
Innovative Quality Schools (IQS)	31	\$609,941.02	\$390,757.94	\$134,456.98	\$87,080.22	\$612,295.14	(\$2,984.12)
Minnesota Guild of Public Charter Schools	16	\$253,023.84	\$269,663.85	\$29,583.09	0	\$298,663.85	(\$45,640.01)
Minnesota Office of Charter Authorizing (MOChA)	3	\$32,084.52	\$17,737.50	\$1,698.20	0	\$19,435.52	\$12,649.00
Northfield Public Schools	2	\$32,295.91	\$32,565.17	\$508.31	0	\$33,073.48	(\$777.57)
Novation Education Opportunities (NEO)	26	\$529,199.18	\$405,850.11	\$18,478.82	\$110,787.52	\$535,116.45	(\$5,917.27)
Osprey Wilds	36	\$666,838.00	\$460,335.00	\$157,271.00	\$95,182.00	\$712,788.00	(\$45,950.00)
Pillsbury United Communities (PUC)	18	\$497,882.00	\$307,138.00	\$114,916.00	\$66,309.00	\$488,363.00	\$9,519.00
Student Achievement Minnesota (SAM)	2	\$57,701.00	\$46,500.00	\$12,484.00	\$4,505.00	\$63,489.00	(\$5,788.00)
*University of St. Thomas (UST)	14	\$318,853.00	\$241,228.80	\$32,400.92	0	\$273,629.72	\$45,233.28
Volunteers of America - Minnesota (VOA)	20	\$475,840.00	\$278,355.00	\$65,911.00	\$72,326.00	\$416,592.00	\$59,248.00
<b>Totals</b>	<b>180</b>	<b>\$3,806,313.20</b>	<b>\$2,504,375.60</b>	<b>\$636,736.63</b>	<b>\$663,120.74</b>	<b>\$3,804,232.90</b>	<b>\$2,080.30</b>

**Note:**

MACS has reported the data as it was reported in the Authorizers' official reports to MDE, however not all Authorizers used MDE's standard reporting form, so for some authorizers we categorized their expenses into the above format to the best of our ability.

## Income & Expenditures (FY 23)

Authorizer	Total Overall Income	Total Expenses Reported	Total Net Income/ Deficit	June 30, 2022, Fund Balance	June 30, 2023 Fund Balance
Bethel University	Withdrew as Authorizer in FY 23	–	–	\$2,981.11	???
Chisago Lakes School District	\$27,182.85	\$13,691.98	\$13,490.87	\$14,673.08	\$28,163.95
*Friends of Education (FOE)	\$305,472.00	\$336,465.00	(\$30,993.00)	0	0
Innovative Quality Schools (IQS)	\$609,941.02	\$612,925.14	(\$2,984.12)	\$346,545.00	\$343,560.88
Minnesota Guild of Public Charter Schools	\$253,023.84	\$298,663.85	(\$45,640.01)	\$203,099.93	\$157,459.92
Minnesota Office of Charter Authorizing (MOChA)	\$32,084.52	\$19,435.52	\$12,649.00	\$15,187.36	\$27,836.36
*Northfield Public Schools	\$32,295.91	\$33,073.48	(\$777.57)	*	*
Novation Education Opportunities (NEO)	\$529,199.18	\$535,116.45	(\$5,917.27)	\$343,591.67	\$337,674.40
Osprey Wilds	\$666,838.00	\$712,788.00	(45,950.00)	\$180,776.00	\$134,826.00
*Pillsbury United Communities (PUC)	\$497,882.00	\$488,363.00	\$9,519.00	\$50,000.00	\$59,519.00
Student Achievement Minnesota (SAM)	\$57,701.00	\$63,489.00	(\$5,788.00)	*	*
*University of St. Thomas (UST)	\$318,853.00	\$273,629.72	\$45,223.28	*	\$45,233.28
*Volunteers of America - Minnesota (VOA)	\$475,840.00	\$416,592.00	\$59,248.00	*	\$59,248.00
<b>Totals</b>	<b>\$3,806,313.20</b>	<b>\$3,804,232.90</b>	<b>\$2,080.18</b>	<b>\$1,147,304.15</b>	<b>\$1,193,521.70</b>

### Notes:

- 1] Records prior to FY 18 indicate at least an additional \$500K surplus, total fund balance is closer to \$1.8 million.
- 2] A \* indicates that the authorizer did not report a beginning balance from the previous FY.

## Authorizer Fees by School (FY 23)

Operational School	Authorizer	Fee Paid
Academia Cesar Chavez	University of St. Thomas	\$27,452.00
Academic Arts High School	Osprey Wilds	\$14,221.51
Achieve Language Academy	Novation Education Opportunities	\$27,452.00
AFSA	Osprey Wilds	\$27,452.00
Agamim Classical Academy	Novation Education Opportunities	\$27,452.00
Aim Academy of Science and Technology	Innovative Quality Schools	\$17,535.47
Arcadia Charter School	Northfield Public Schools	\$13,868.75
Art and Science Academy	Minnesota Guild of Public Charter Schools	\$27,452.00
Aspen Academy	Friends of Education	\$27,452.00
Aspire Academy	Novation Education Opportunities	\$27,452.00
Athlos Leadership Academy	Volunteers of America	\$27,452.00
Athlos Academy of St. Cloud	Volunteers of America	\$27,452.00
Augsburg Fairview Academy	Minnesota Guild of Public Charter Schools	\$9,201.00
Aurora Charter School	Osprey Wilds	\$27,452.00
Aurora Waasakone Community of Learners	Osprey Wilds	\$14,586.75
Avalon Charter School	Novation Education Opportunities	\$27,452.00
Bdote Learning Center	Innovative Quality Schools	\$9,553.76
Beacon Academy	Innovative Quality Schools	\$27,452.00
BEST Academy	Osprey Wilds	\$27,452.00
Birch Grove Community School	Volunteers of America	\$6,863.00
BlueSky Online Charter School	Innovative Quality Schools	\$27,452.00
Bluffview Montessori	Volunteers of America	\$22,603.90
Bultum Academy	Novation Education Opportunities	\$16,368.26
Cannon River STEM School	Osprey Wilds	\$23,594.99
Career Pathways	Minnesota Guild of Public Charter Schools	\$14,105.00
City Academy	Innovative Quality Schools	\$15,530.01
College Prep Elementary / Rise Academy	Minnesota Guild of Public Charter Schools	\$15,545.00
Cologne Academy	Friends of Education	\$27,452.00
Community of Peace Academy	University of St. Thomas	\$27,452.00
Community School of Excellence	Minnesota Guild of Public Charter Schools	\$27,452.00
Cornerstone Montessori Elementary School	University of St. Thomas	\$14,515.00
Creekstone Montessori School	Minnesota Office of Charter Authorizing	\$9,265.04
Crosslake Community School	Osprey Wilds	\$27,452.00
Cyber Village Academy	Innovative Quality Schools	\$26,201.80
DaVinci Academy of Art and Science	Friends of Education	\$27,452.00
Discovery Charter School	Novation Education Opportunities	\$19,713.97
Discovery Public School	Osprey Wilds	\$6,863.00
Discovery Woods	Osprey Wilds	\$10,662.88
Duluth Edison Charter Schools	Innovative Quality Schools	\$27,452.00
Eagle Ridge Academy	Friends of Education	\$27,452.00

## Authorizer Fees by School (FY 23)

Operational School	Authorizer	Fee Paid
East Range Academy	Osprey Wilds	\$16,800.25
ECHO Charter School	Innovative Quality Schools	\$7,319.75
EdVisions Off Campus	Innovative Quality Schools	\$13,194.07
El Colegio Charter School	Pillsbury United Communities	\$11,736.00
Endazhi-Nitaawiging	Osprey Wilds	\$13,430.00
Escuela Exitos	Novation Education Opportunities	\$14,268.18
Excell Academy	Osprey Wilds	\$27,452.00
Exploration High School	Minnesota Guild of Public Charter Schools	\$10,823.52
Face to Face Academy	University of St. Thomas	\$10,994.00
FIT Academy	Volunteers of America	\$27,452.00
Friendship Academy of the Arts	Pillsbury United Communities	\$27,452.00
Gateway STEM Academy	Pillsbury United Communities	\$25,326.00
Gentry Academy	Innovative Quality Schools	\$27,452.00
Glacial Hills Elementary School	Osprey Wilds	\$8,083.29
Global Academy	University of St. Thomas	\$27,452.00
Great Expectations School	Osprey Wilds	\$14,393.34
Great Oaks Academy	Novation Education Opportunities	\$27,452.00
Great River School	Novation Education Opportunities	\$27,452.00
Green Isle Community School	Volunteers of America	\$6,863.00
Harbor City International School	Volunteers of America	\$23,533.26
Hennepin Schools	Friends of Education	\$27,452.00
Hiawatha Academies	University of St. Thomas	\$27,452.00
High School for Recording Arts	Pillsbury United Communities	\$27,452.00
Higher Ground Academy	Osprey Wilds	\$27,452.00
Hmong College Prep Academy	Bethel University	\$27,452.00
HOPE Community Academy	University of St. Thomas	\$27,452.00
Horizon Science Academy - Twin Cities	Pillsbury United Communities	\$11,446.00
Innovation Science and Technology Academy	Novation Education Opportunities	\$6,863.00
International Spanish Language Academy	Innovative Quality Schools	\$27,452.00
Jane Goodall Environmental Sciences Academy / Terra Nova	Innovative Quality Schools	\$13,630.58
Jennings Community Learning Center	Pillsbury United Communities	\$9,162.00
The Journey School	Innovative Quality Schools	\$14,628.17
Kaleidoscope Charter School	Volunteers of America	\$27,452.00
Kalon Prep Academy	Innovative Quality Schools	\$16,075.64
Kato Public Charter School	Novation Education Opportunities	\$7,885.59
KIPP Stand Academy	Volunteers of America	\$27,452.00
La Crescent Montessori and STEM School	Osprey Wilds	\$9,967.28
Lakes International Language Academy	Volunteers of America	\$27,452.00
Laura Jeffrey Academy	Osprey Wilds	\$10,973.23
Legacy of Dr. Josie R. Johnson Montessori	Osprey Wilds	\$0.00



## Authorizer Fees by School (FY 23)

Operational School	Authorizer	Fee Paid
Level Up Academy	Innovative Quality Schools	\$21,803.78
Life Prep School	Minnesota Guild of Public Charter Schools	\$15,997.20
Lincoln International High School	Minnesota Guild of Public Charter Schools	\$16,678.00
Lionsgate Academy	Novation Education Opportunities	\$27,452.00
LoveWorks Academy	Pillsbury United Communities	\$16,966.00
Marine Village School	Minnesota Office of Charter Authorizing	\$6,863.00
Math & Science Academy	Student Achievement Minnesota	\$27,452.00
Metro Deaf School	University of St. Thomas	\$6,863.00
Metro Schools	Osprey Wilds	\$27,452.00
Midway Star Academy	Pillsbury United Communities	\$27,452.00
Minnesota Excellence in Learning Academy	Innovative Quality Schools	\$18,343.63
Minnesota Internship Center Charter School	Pillsbury United Communities	\$27,452.00
Minnesota Math and Science Academy	Pillsbury United Communities	\$27,308.00
Minnesota New Country School	Innovative Quality Schools	\$24,676.09
Minnesota Online High School	Pillsbury United Communities	\$23,966.00
Minnesota Transitions Charter School	Pillsbury United Communities	\$27,452.00
Minnesota Wildflower	Osprey Wilds	\$6,863.00
Modern Montessori	Innovative Quality Schools	\$17,473.70
Nasha Shkola	Innovative Quality Schools	\$10,409.27
Naytahwaush Community Charter School	Volunteers of America	\$11,829.72
Nerstrand Elementary School	Novation Education Opportunities	\$10,025.19
New Century Academy	Novation Education Opportunities	\$13,918.16
New Century School	Volunteers of America	\$27,452.00
New City School	Novation Education Opportunities	\$27,452.00
New Discoveries Montessori Academy	Osprey Wilds	\$23,003.18
New Heights School	Minnesota Guild of Public Charter Schools	\$13,259.28
New Millennium Academy	Friends of Education	\$27,452.00
Noble Academy	Osprey Wilds	\$27,452.00
North Lakes Academy	Osprey Wilds	\$27,452.00
North Metro Flex Academy	Novation Education Opportunities	\$23,430.28
North Shore Community School	Osprey Wilds	\$27,452.00
Northeast College Prep	Student Achievement Minnesota	\$27,452.00
Northern Lights Community School	Osprey Wilds	\$8,434.12
Northwest Passage High School	University of St. Thomas	\$18,721.00
Notre École	Innovative Quality Schools	\$6,863.00
Nova Classical Academy	Friends of Education	\$27,452.00
Oak Hill Montessori	Minnesota Office of Charter Authorizing	\$15,956.48
Oshki Ogimaag Charter School	Osprey Wilds	\$6,863.00
PACT Charter School	Volunteers of America	\$27,452.00

## Authorizer Fees by School (FY 23)

Operational School	Authorizer	Fee Paid
Paladin Career & Technical High School	Innovative Quality Schools	\$26,558.01
Parnassus Preparatory School	Friends of Education	\$27,452.00
Partnership Academy	Osprey Wilds	\$27,452.00
Phoenix Academy Charter	Minnesota Guild of Public Charter Schools	\$16,738.20
Pillager Area Charter School / Central Lakes Adventure School	Osprey Wilds	\$6,863.00
PIM Arts High School	University of St. Thomas	\$27,452.00
Prairie Creek Community School	Northfield Public Schools	\$18,427.16
Prairie Seeds Academy	Osprey Wilds	\$27,452.00
Prodeo Academy	Innovative Quality Schools	\$27,452.00
Progeny Academy	Innovative Quality Schools	\$9,187.26
Quantum STEAM Academy	Novation Education Opportunities	\$17,523.71
Ridgeway Community School	Innovation Quality Schools	\$9,453.90
River Grove Elementary	Minnesota Guild of Public Charter Schools	\$20,872.76
Riverway Learning Community	Osprey Wilds	\$13,873.60
Rochester Beacon Academy	Minnesota Guild of Public Charter Schools	\$6,165.42
Rochester Math and Science Academy	Pillsbury United Communities	\$27,452.00
Rochester STEM Academy	Novation Education Opportunities	\$17,709.01
Rollingstone Community School	Minnesota Guild of Public Charter Schools	\$9,150.66
Rosa Parks Charter High School	Minnesota Guild of Public Charter Schools	\$6,865.30
SAGE Academy	Novation Education Opportunities	\$11,189.71
Schoolcraft Learning Community	Volunteers of America	\$21,719.79
SciTech Academy	Minnesota Guild of Public Charter Schools	\$22,773.28
Sejong Academy	Novation Education Opportunities	\$27,452.00
Seven Hills Classical Academy	Friends of Education	\$27,452.00
Skyline Math and Science Academy	Minnesota Guild of Public Charter Schools	\$19,945.22
Sojourner Truth Academy	Pillsbury United Communities	\$27,452.00
Southside Family Charter School	Volunteers of America	\$12,474.91
Spectrum High School	Volunteers of America	\$27,452.00
Spero Academy	University of St. Thomas	\$20,692.00
Star of the North Academy	Novation Education Opportunities	\$22,990.51
St. Cloud Math and Science Academy	Novation Education Opportunities	\$27,452.00
St. Croix Preparatory Academy	Friends of Education	\$27,452.00
St. Paul City School	Innovative Quality Schools	\$27,452.00
St. Paul Conservatory for Performing Artists	University of St. Thomas	\$27,452.00
St. Paul School of Northern Lights	Innovative Quality Schools	\$23,618.79
STEAM Academy	Novation Education Opportunities	\$8,036.57
STEP Academy	Innovative Quality Schools	\$27,452.00
STRIDE Academy	Pillsbury United Communities	\$27,452.00
Stonebridge World School	Pillsbury United Communities	\$27,452.00
Success Academy	Innovative Quality Schools	\$27,452.00

## Authorizer Fees by School (FY 23)

Operational School	Authorizer	Fee Paid
Swan River Montessori Charter School	Osprey Wilds	\$17,450.16
TEAM Academy	Novation Education Opportunities	\$9,055.04
Technical Academies of Minnesota	Osprey Wilds	\$18,406.57
Three Rivers Montessori	Osprey Wilds	\$15,530.61
TrekNorth Junior and Senior High School	Volunteers of America	\$27,452.00
TRIO Wolf Creek Distance Learning Center	Chisago Lakes Public School District	\$25,127.85
Twin Cities Academy	University of St. Thomas	\$27,452.00
Twin Cities International Schools	Pillsbury United Communities	\$27,452.00
Twin Cities German Immersion	University of St. Thomas	\$27,452.00
Twin Lakes STEM Academy	Volunteers of America	\$15,805.21
Ubah Medical Academy	Pillsbury United Communities	\$27,452.00
Universal Academy	Novation Education Opportunities	\$27,452.00
Upper Mississippi Academy	Innovative Quality Schools	\$22,820.93
Urban Academy	Novation Education Opportunities	\$27,452.00
Venture Academy	Innovative Quality Schools	\$27,452.00
Vermilion Country School	Osprey Wilds	\$6,863.00
Voyageurs Expeditionary School	Osprey Wilds	\$12,746.42
Watershed High School	Innovative Quality Schools	\$6,863.00
Woodbury Leadership Academy	Volunteers of America	\$27,452.00
World Learner School of Chaska	Osprey Wilds	\$24,687.29
Yinghua Academy	Friends of Education	\$27,452.00
<b>Total</b>		<b>\$3,666,506.17</b>

### Source of Information Contained in This Report:

The Annual Income and Expenditure Reports of authorizers submitted to MDE in accordance with MN Statute 124E.05 Subd.8