

What You Need to Know:

The Governing Boards of Texas Public Charter Schools

About 1,300 experienced professionals serve on the governing boards of Texas public charter schools. These civic-minded volunteers from the community – including some of the brightest stars from technology, law, and finance – want to improve public education and help students succeed.

Their involvement enriches the way that public charter schools, which are designed to be creative and flexible, operate each day. **But how do these governing boards really work?**

Here are the three facts you need to know in order to understand public charter school boards:

1



Public charter school board members are **unpaid, volunteer public servants aligned with the missions of the schools they serve.**

2



Public charter school boards are **highly accountable**, both to the state and to families, for their performance.

3



Public charter school boards are **transparent and responsive to their communities.**

MEET A CHARTER SCHOOL BOARD MEMBER: **Kyle Clark**

Kyle Clark, an officer on the Austin Achieve Board of Directors, understands what it takes for students to succeed in college.

Mr. Clark is the Assistant Dean for Advising and Director of Student Support in the Moody College of Communication at the University of Texas at Austin. He's a higher education veteran with more than 20 years of experience in residence life, new student orientation, scholarship programs and services, student success initiatives, and undergraduate student advising.

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I believe that my contribution as a board member has everything to do with my entire career being in higher education – because ultimately, we want our scholars to go to and successfully graduate from a college or university. That's our mission, simply put.

I feel confident in my ability to contribute through my professional lens as we work to get our scholars to, through, and beyond their college journey. We know that a high-quality education at Austin Achieve can set up our scholars for generational success for themselves and their families.





Public charter school board members are volunteer public servants aligned with the missions of the schools they serve.

All charter schools in Texas are public, tuition-free, and open to all students. But each one takes a unique approach based on the needs of local students and families.

The Texas Education Agency (TEA) enters into a contract with each public charter school that codifies that school’s unique mission and model. There are public charter schools focused on STEM, classical education, dropout recovery, special education, college preparation, and career readiness – among many other specialties.

It’s critical that public charter schools convene governing boards that are closely aligned to these missions. A public charter school dedicated to STEM, for example, can lean on the expertise of computer scientists or engineers. This ensures the continuity of each school’s vision and facilitates long-term planning and accountability.

Board members receive no compensation for their service

Public charter school board members are unpaid volunteers. They’re prohibited by Texas law from being directly compensated for board-related work.¹ In addition, many legal guardrails are in place to ensure there is transparency for any business transactions involving entities associated with public charter school board members.

If an entity associated with a public charter school board member conducts business with the member’s charter school, which is called a “related party transaction,” it must comply with disclosure and conflict of interest requirements under the Local Government Code – exactly as ISD board members would.² But unlike ISDs, public charter schools must report these related party transactions to TEA³, which has the power to restructure or discontinue them if they are not in the best interest of students.⁴

As 501(c)3 nonprofits, public charter schools (including their boards) must also comply with the federal Internal Revenue Code, which includes restrictions, sanctions, and disclosure requirements for related party transactions that are in addition to state law.⁵

Public Charter Schools Support Even Stronger Regulations

The public charter school community supports stronger regulations of related party transactions in real estate. Disclosure and recusal by ISD and public charter school board members is not enough – we support prohibiting any and all public officials from financially benefiting from these transactions.

Our position is clear:

- We supported SB 1454 in 2019 (86R), which gave TEA the power to audit related party transactions – and restructure or discontinue them if they don’t serve the best interest of students.
- We supported an amendment to HB 1707 in 2023 (88R), which ensured the benefits of the new law were only made available to charter schools certifying that no one associated with the school was receiving any personal financial benefit from a real estate transaction with the school.
- We supported HB 3863 in 2023 (88R), which would have prohibited charter school board members – and all other public officials – from financially benefiting from real estate transactions entered into by their own local governmental entity or board. This bill did not receive a hearing, but we hope the work will continue in future sessions.



Public charter school boards are highly accountable, both to the state and to families, for their performance.

Texans expect school boards to run their districts well and follow all state and federal laws when spending taxpayer dollars to educate children. It's no surprise, then, that those school boards – at public charter schools and ISDs alike – are held to high standards of accountability.

What you might not know is that public charter school boards are held to **even higher** standards than their ISD peers.

This starts with training. The trustees of public charter schools must complete specific training courses from state-approved providers, covering critical topics such as education law, school finance, health and safety, and accountability. While ISD board members complete similar training, only public charter schools must track and report this training to the state, and the agency can sanction any public charter school that fails to comply.⁶

Public charter school board members who breach their duty, violate fiscal accounting standards, or commit a crime can be removed by the Commissioner of Education. The Commissioner also has broad powers to address serious cases by reconstituting charter school boards;⁷ temporarily suspending school operations or withholding funding;⁸ or even closing the charter school.⁹ Additionally, the Attorney General may hold individual board members personally liable for Breach of Duty.¹⁰

There are no similar mechanisms for ISD trustees, who are protected from personal liability and can only be replaced in an election (except in the case of a state takeover).

The Ultimate Form of Accountability: Parent Power

There's another form of accountability, even more powerful than state regulations, that applies to public charter schools. We're talking about parents.

Parents choose to enroll their children in public charter schools. They'll also choose to un-enroll them if expectations aren't met or students don't succeed. **When families "vote with their feet," it holds schools accountable in a uniquely urgent way.** Campuses must respond quickly, and maintain the community's trust, in order to stay open.

ACCOUNTABILITY MEASURE	PUBLIC CHARTER SCHOOLS	INDEPENDENT SCHOOL DISTRICTS (ISDs)
Open Meetings ¹¹ and Open Records ¹²	✓	✓
Nepotism Prohibitions ¹³	✓	✓
Board Member Trainings ¹⁴	✓	✓
Reporting and Auditing of Related Party Transactions ³	Transactions must be reported to TEA, which can require the school to reverse them after an audit	Not required
Governance Reporting ⁶	Report annually to TEA on training and governance requirements	Local monitoring by school board only
Board Member Criminal History ¹⁵	No felonies or moral turpitude misdemeanors	Certain felonies and all misdemeanors allowed
Removal of Board Members ⁷	TEA may remove	Removal only by local election



Public charter school boards are transparent and responsive to their communities.

Texas public charter schools follow all the same state laws related to transparency as ISDs – open meetings, public notices and agenda postings, records retention, and the Public Information Act. These laws can be enforced by the Attorney General or local district attorneys – the same as ISDs. But for public charter schools alone, TEA can also enforce them.

Every year, TEA collects and reports a large amount of information about public charter schools to the public. Anyone can easily locate the academic performance data for any public charter school using the same state website that publishes A-F grades for all public schools.¹⁶ The public can also see how the state rates any charter school’s financial operations, just as they can for ISD schools.¹⁷

State law also requires that public charter schools participate in an additional ratings system called the Charter School Performance Framework.¹⁸ The CSPF includes not only academic and financial data, but also indicators of school health based on operations and governance. In addition to providing more transparency to the public, these additional metrics help board members keep the public charter schools they oversee on track.

Appointed vs. Elected Boards

We sometimes hear that board members for public entities such as charter schools must be elected in order to be responsive to their community. This just isn’t true. Public charter school board members are appointed, rather than elected, by design.

In fact, there are *many* public boards in Texas whose members are appointed instead of elected. This typically comes down to taxing authority. As Americans, we’ve always believed in “no taxation without representation.” So it makes sense that voters decide who should have the power to levy taxes – and in Texas, they do. Elected bodies with taxing authority include the councils and commissions of cities and counties; ISD boards; community college trustees; and of course, the Texas Legislature.

Public boards in Texas that do **not** have taxing authority are typically appointed. These include the Texas Higher Education Coordinating Board, the State Board of Educator Certification, the Motor Vehicles Board, boards of regents at universities, and many more – such as public charter schools.



Frequently Asked Questions

What's the value in having appointed board members?

Appointed board members are no less responsive to the community than those who are elected. They listen to members of the public who contact them, participate in public forums during open meetings, and utilize their own expertise and experience combined with that feedback to vote on board agenda items.

All of these board members agree to take their appointed seat out of a desire to serve — and because they're passionate about the mission of the board. Public charter schools (along with other public entities who appoint board members) **can assemble a group of professionals with varied backgrounds and experiences — a mix that leads to great student outcomes.**

Can public charter school board members live out of state?

State law requires a majority of public charter school board members to be Texas residents. This allows mission-aligned leaders with unique expertise to serve Lone Star State students.

For example, it opened the door for Brigadier General Marcela Monahan — who retired from the United States Marine Corps as one of the military's most senior leaders — to volunteer as a board member at ILTexas. It's a tremendous match. Brig. Gen. Monahan, who grew up across nine countries and found success in the corporate world, now brings her expertise to a public charter school network with a global lens and a robust JROTC program.

MEET A CHARTER SCHOOL BOARD MEMBER:

Brig. Gen. Marcela Monahan, USMC (Ret.)



It's hard to imagine a better fit for the board of ILTexas — a public charter school network with a global focus and emphasis on servant leadership — than Brig. Gen. Marcela Monahan.

Brig. Gen. Monahan joined the U.S. Marine Corps after college, ultimately serving for seven years on active duty (including a deployment in Iraq) and 24 years in the reserves. Today, she helps guide the president of Arizona State University as a member of the Flag Officer Advisory Council and stays active in the corporate world.

“ I am a first generation, native bilingual Hispanic born of Chilean parents who emigrated to the USA in 1960 to start a new life.

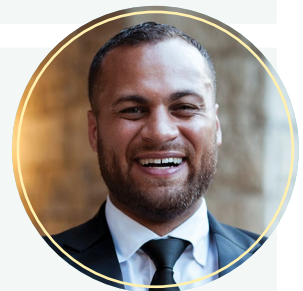
Growing up, I lived in Colombia, El Salvador, Panama, Spain, England, the Philippines, England, Chile, and Japan, and additionally traveled extensively throughout Europe and South America. I attended multiple international and American schools overseas.

During periods of reserve duty in the Marine Corps, while not mobilized, I held several executive positions in large corporations — capitalizing on my leadership experiences as a Marine Officer.

This experience gives me a multicultural understanding of life's challenges and potential solutions for sustained success.

MEET A CHARTER SCHOOL BOARD MEMBER:

Brian Dillard



Brian Dillard, who chairs the board at Essence Prep Public School, loves harnessing the power of innovation to support his city.

Mr. Dillard is currently the Chief Innovation Officer for the City of San Antonio — and the third-generation native lives in the same community, Eastside, where he was raised. Prior to joining the local government sector, he served as an active duty member of the United States Air Force and cybersecurity consultant in the private sector.

“ My role as Board Chair of Essence Prep is a result of the years I've invested in ensuring my hometown of San Antonio, and my native Eastside community, have educational institutions that are ready to build the leaders of our future.

In my role at the City, I work with all of our city departments and often reflect on how improvements being made might impact students and their families. In addition, I am aware of the various factors outside of school that may affect the lives of our students. That perspective is valuable in ensuring the decisions being made at Essence Prep are truly comprehensive.

I am proud to know that Essence Prep is a pivotal factor in ensuring my hometown continues on an upward trajectory.

Policy Recommendations & Conclusion

The governing boards of Texas public charter schools play a crucial role in the education system. They bring together talented volunteer leaders who believe deeply in the missions of their schools – and are held to extremely high standards for accountability and transparency.

We offer these policy recommendations to ensure the continued effectiveness of public charter school boards:

- ➔ **Maintain public charter school board autonomy, which drives student success.** Public charter schools need their board members to represent a diverse array of backgrounds and experiences. That’s why we oppose blanket mandates related to the composition of these boards.
- ➔ **Prohibit board members from property transactions with their own governing bodies, other than a donation.** We believe in strong accountability. Strengthening the law in this area will give Texans even more confidence in the stewardship of taxpayer funds.

MEET A CHARTER SCHOOL BOARD MEMBER: **Kari Honea**



Kari Honea, chair of the board at NYOS Charter School in Austin, is an expert at navigating the regulatory world.

The holder of both a JD and MPA, Ms. Honea has more than 20 years of experience working for the State of Texas and is today a state and local tax attorney. She’s also the mother of two NYOS students and one of four parent members on the NYOS board.

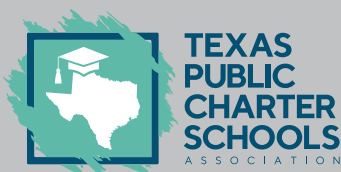


NYOS’s mission is to educate the whole student, with a focus on rigorous academics, innovative strategies to encourage personal growth and responsibility, and civic engagement.

Having two students enrolled at NYOS, I have a personal interest in NYOS continuing to excel at serving our students because I want my kids to have the best education possible – and also to learn and grow personally and socially so that they have a strong foundation to pursue the next phase in their lives after high school.

Through my education and work experience, I have gained a greater understanding of the rigors and intricacies of working within the regulatory environment of the public sphere.

Questions? Contact research@txcharterschools.org



Endnotes

1. TEC §11.061(d) and TAC §100.1131(b)
2. TEC §12.1054
3. TEC §12.1168
4. TEC §12.1163(d)
5. 26 U.S. Code § 6033(h)
6. TAC §100.1108
7. TEC § 12.115(d)
8. TEC § 12.1162(b)
9. TEC § 12.115(a)
10. TEC § 12.122
11. TEC § 12.1051
12. TEC § 12.1052
13. TEC § 12.1055
14. TEC § 12.123
15. TEC § 12.120
16. TxSchools.gov - A-F Rating System
17. Financial Integrity Rating System of Texas (FIRST)
18. TEC § 12.1181