

# **Bond Case Briefs**

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## **CHARTER SCHOOLS - TEXAS**

### **Honors Academy, Inc. v. Texas Education Agency**

**Supreme Court of Texas - April 27, 2018 - S.W.3d - 2018 WL 1975025**

Holders of school charters brought action under Uniform Declaratory Judgments Act (UDJA) against Texas Education Agency (TEA) and Commissioner of Education, seeking declaratory and injunctive relief related to charter revocation process.

The District Court issued temporary injunction. TEA and Commissioner appealed. The Austin Court of Appeals vacated and rendered judgment against holders. Holders filed petition for review.

The Supreme Court of Texas held that:

- Commissioner did not act ultra vires in considering charter school's academic performance data during certain school year;
- Commissioner did not act ultra vires in considering charter school's financial accountability performance data based on data from prior fiscal year; and
- Commissioner acted within his authority in conducting informal process for challenging revocation of charter.

In revoking open-enrollment charter school's charter, Commissioner of Education did not act ultra vires in considering charter school's academic performance data during certain school year, even though statute prohibited consideration of school's academic performance during that year, and thus Commissioner's decision was not appealable; Commissioner interpreted statute to prohibit use of academic performance rating from that year, and that interpretation was not arbitrary, capricious, or clearly erroneous.

In revoking open-enrollment charter school's charter, Commissioner of Education did not act ultra vires in considering charter school's financial accountability performance data based on data from prior fiscal year, and thus Commissioner's decision was not appealable.

Commissioner of Education acted within his authority in conducting informal process for challenging revocation of open-enrollment charter school's charter, even if process was not as transparent as charter school would have liked, and thus Commissioner's decision was not appealable; Commissioner identified three unacceptable financial performance ratings and one unacceptable academic performance rating, Commissioner conducted informal review of school's response, and two administrative appeals regarding school's financial rating and subsequent charter revocation indicated that school had opportunity to raise those issues.