

Maine Charter School Commission

CHARTER SCHOOL CLOSURE PLAN

IMMEDIATE ACTIONS

Action Item	Responsible for Completing	Targeted Completion Date	Status
<p>1 Create “Charter School Closure: Frequently Asked Questions”</p> <p>General document from MCSC outlining Authorizing Board’s policies, commitment to quality authorizing through supporting the transition of students and staff to new settings, overview of transition steps, general timelines, checklist for parents transitioning to a new school in the next school year and MCSC contact information.</p>	MCSC Lead	Prior to MCSC’s vote to close the charter school or immediately upon school board’s vote to close the school.	
<p>2 Establish Transition Team and Assign Roles</p> <p>A team dedicated to ensuring the smooth transition of students, staff and close down of the school’s business populated by MCSC staff in conjunction with board members and staff of the closing charter school.</p> <p>Team to include:</p> <ul style="list-style-type: none"> • Lead person from MCSC Staff; • MCSC liaison to charter school; • Charter School Board Chair; • Lead Administrator from the Charter School; • Lead Finance person from the Charter School; • Lead person from the Charter School Faculty; • Lead person from the Charter School Parent Organization. 	MCSC Lead and School Board Chair	Within 24 hours of MCSC or the school board’s vote to close the charter school	
<p>3 Assign Transition Team Action Item Responsibilities</p> <p>Distribute contact information to all transition team members, set calendar for meetings and assign dates for completion of each charter school closure item.</p>	MCSC Lead and School Board Chair	Within 48 hours of vote to close the charter school	
<p>4 Initial Closure Notification Letter: Parents & School</p> <p>Distribute letter to faculty, staff and parents outlining:</p> <ul style="list-style-type: none"> • Closure decision; • Timeline for transition; and • Contact information. 	MCSC Lead and School Board Chair	Within 24 hours of vote to close the charter school	
<p>5 Initial Closure Notification Letter: State & Local Agencies</p>	MCSC Lead and School Board Chair	Within 24 hours of vote to close the charter school	

	<p>Letter to state education agency as well as nearby school districts and town officials of nearby towns to include:</p> <ul style="list-style-type: none"> • Notification materials distributed to parents; • Notification materials distributed to faculty and staff; and • Authorizing board decision materials, resolution to closes school, copy of any termination agreement (if applicable). 			
6	<p>Initial Closure Notification Letter: Commissioner and Legislature (see 20-A 2411(7))</p> <p>Letter to Commissioner and Legislature to include:</p> <ul style="list-style-type: none"> • The action taken; • Reason for the decision to close the charter school; • Authorizing board decision materials, resolution to close school, copy of any termination agreement (if applicable). 	MCSC Lead	Within 24 hours of vote to close the charter school	
7	<p>Talking Points</p> <p>Create talking points for parents, faculty, community and press. Focus on communicating plans for orderly transition of students and staff. Distribute to transition team.</p>	MCSC Lead and School Board Chair	Within 24 hours of vote to close the charter school	
8	<p>Press Release</p> <p>Create and distribute a press release that includes the following:</p> <ul style="list-style-type: none"> • History of school; • Authorizing board closure policies; • Reason(s) for school closure; • Outline of support for students, parents and staff; and • A press point person for MCSC and for the school. 	MCSC Lead and School Board Chair	Within 24 hours of vote to close the charter school	
9	<p>Continue Current Instruction</p> <p>Continue instruction under current program per charter contract until end of school calendar for regular school year.</p>	Charter School Administrator Lead	Continuous after closure vote until end of classes as designated in closure resolution	
10	<p>Terminate Summer Instruction Program</p> <p>Take action to terminate any summer instruction, such as canceling teaching contracts.</p>	Charter School Board Lead and Administrator Chair	Within 48 hours of vote to close the charter school	
11	<p>Secure Student Records</p> <p>Ensure all student records are organized, up to date and maintained in a secure location.</p>	Charter School Administrator Lead	Within 24 hours of vote to close the charter school	

12	<p>Secure Financial Records</p> <p>Ensure all financial records are organized, up to date and maintained in a secure location.</p>	Charter School Financial Lead	Within 24 hours of vote to close the charter school	
13	<p>Parent Contact Information</p> <p>Create Parent Contact List to include:</p> <ul style="list-style-type: none"> • Student name; • Address; • Telephone; and • Email, if possible. <p>Provide a copy of the parent contact information to MCSC.</p>	Charter School Administrator Lead	Within 24 hours of vote to close the charter school	
14	<p>Faculty Contact Information</p> <p>Create Faculty Contact List that includes:</p> <ul style="list-style-type: none"> • name; • Position; • Address; • Telephone; and • Email. <p>Provide a copy of the list to MCSC.</p>	Charter School Faculty Lead	Within 24 hours of vote to close the charter school	
15	<p>Convene Parent Closure Meeting</p> <p>Plan and convene a parent closure meeting.</p> <ul style="list-style-type: none"> • Make copies of “Closure FAQ” document available; • Provide overview of MCSC board closure policy and closure decision; • Provide calendar of important dates; • Provide specific remaining school vacation days and date for end of classes; • Present timeline for transitioning students; • Present timeline for closing down of school operations; and • Provide contact and help line information. 	MCSC Lead, Charter School Administrator and Charter School Parent Organization Leads	Within 72 hours of vote to close the charter school	
16	<p>Convene Faculty/Staff Meeting</p> <p>Board Chair to communicate:</p> <ul style="list-style-type: none"> • Commitment to continuing coherent school operations throughout closure transition; • Plan to assist students and staff by making closing as smooth as possible; • Reason(s) for closure; 	Charter School Board Chair, Charter School Administrator Lead, and Charter School Faculty Lead.	Within 72 hours of vote to close the charter school	

	<ul style="list-style-type: none"> • Timeline for transition details; • Compensation and benefits timeline; and • contact information for ongoing questions. <p>Provide MCSC copies of all materials distributed at the Faculty/Staff Meeting.</p>			
17	<p>Maintenance of Location and Communication</p> <p>Establish if the school will maintain the current facility as its locus of operation for the duration of the closing out the school’s business, regulatory and legal obligations. In the event the facility is sold or otherwise vacated before concluding the school’s affairs, the school must relocate its business records and remaining assets to a location where a responsive and knowledgeable party is available to assist with closure operations. The school must maintain operational telephone service with voice message capability and maintain custody of business records until all business and transactions are completed and legal obligations are satisfied. The school must immediately inform MCSC if any change in location or contact information occurs.</p>	Charter School Board Chair	Ongoing until closure complete	
18	<p>Insurance</p> <p>The school’s assets and any assets in the school that belong to others must be protected against theft, misappropriation and deterioration. The school should:</p> <ul style="list-style-type: none"> • Maintain existing insurance coverage until the disposal of such assets under the school closure action plan; • Continue existing insurance for the facility, vehicles and other assets until 1) disposal or transfer of real estate or termination of lease, and 2) disposal, transfer or sale of vehicles and other assets; • Negotiate facility endurance with entities that may take possession of school facility (lenders, mortgagors, bond holders, etc.); • Continue or obtain appropriate security services; and • Plan to move assets to secure storage after closure of the school facility. <p>The school should maintain existing directors and officers liability (D&O) insurance, if any, until final dissolution of the school.</p>	Charter school Board Chair and Charter School Financial Lead	Ongoing until all business related to closure is completed	

NOTIFICATIONS				
Action Item	Responsible for Completing	Targeted Completion Date	Status	
19	<p>Parent/Guardian Closure Transition Letter</p> <p>Distribute letter with detailed guidance regarding transition plan. Notification should include, but not be limited to:</p> <ul style="list-style-type: none"> • Date of the last day of regular instruction; • Cancellation of any planned summer school; • Notification of mandatory enrollment under state law; • Date(s) of any planned school choice fairs(s); • Listing of the contact and enrollment information for charter, parochial, public and private schools in the area; • Information on obtaining student records pursuant to the state Freedom of Information Law before the end of classes; and • Contact information for parent/guardian assistance/questions. <p>Provide MCSC with a copy of the letter.</p>	Charter School Board Chair and Charter School Administrator Lead	Within 10 days of vote to close the charter school	
20	<p>Staff/Faculty Closure Transition Letter</p> <p>Outline transition plans and timelines for staff, including but not limited to:</p> <ul style="list-style-type: none"> • Commitment of school’s board to transitioning staff; • Commitment to positive transition of children into new educational settings; • Any transition to new employment assistance board anticipates providing (such as job fairs); • Timelines for compensation and benefits • Timelines for outstanding professional development issues; • COBRA information; • Pertinent licensure information; • Faculty lead contact information; and • Transition team member contact information. <p>Provide MCSC with a copy of the letter and any accompanying materials.</p>	Charter School Board Chair	Within 10 days of vote to close the charter school	
21	Agency Notifications	MCSC Lead and Charter School Board Chair	Within 10 days of vote to close the charter school	

	<p>The school must satisfy statutory and regulatory obligations to ensure a smooth transition for students. Agency notifications to include:</p> <ul style="list-style-type: none"> • State charter school oversight department; • School finance; • Grants management; • Federal programs office; • State teacher retirement system; • Non-instructional staff retirement system; • Local school district superintendent(s); • State auditor/comptroller/budget office (depending on revenue flow) • Assessment and testing; • Data reporting (student information); • Child nutrition; and • Transportation. 			
22	<p>Union Notification Pursuant to any Collective Bargaining Agreement</p> <p>If applicable, the school should contact legal counsel and work with them to notify any unions of termination of collective bargaining agreements (CBAs) and the pending cessation of instruction, pursuant to the notice requirements set forth in any existing CBA or notice requirements of applicable federal, state and local law. The school should:</p> <ul style="list-style-type: none"> • consult with legal counsel with respect to notice requirements for terminating the CBA and the legal implications with respect to termination of CBAs and the termination of employees connected to the CBAs; • provide a copy of the latest CBA to MCSC; • provide a copy of the notice to MCSC; and • keep MCSC informed of the implications, penalties and damages in connection with any termination of a CBA and ongoing discussions and negotiations with the union in connection with termination. 	Charter School Board Chair	Within one week of vote to close the charter school	
23	<p>Notification of Employees and Benefit Providers</p> <p>The school should establish an employee termination date and:</p> <ul style="list-style-type: none"> • notify all employees of termination of employment and/or contracts; • notify benefit providers of pending termination of all employees; 	Charter School Board Chair and Charter School Financial Lead	Within 45 days of vote to close the charter school	

	<ul style="list-style-type: none"> notify employees and providers of termination of all benefit programs; terminate all programs as of the last date of service in accordance with applicable law and regulations (i.e., COBRA), including: <ul style="list-style-type: none"> health care/health insurance; life insurance; dental plans; eyeglass plans; cafeteria plans; 401(k) retirement plans; and pension plans. <p>Specific rules and regulations may apply to such programs, especially teachers' retirement plans, so legal counsel should be consulted.</p> <p>Provide MCSC copies of all materials.</p>			
24	<p>Notification of Education Service Provider (ESP) and Termination of Contract</p> <p>The school must:</p> <ul style="list-style-type: none"> notify ESP of termination of education program by the school's board, providing the last day of classes and absence of summer programs; provide notice of non-renewal in accordance with management contract; request final invoice and accounting to include accounting of retained school funds and grant fund status; and provide notice that the ESP should remove any property lent to the school after the end of classes and request a receipt of such property. <p>Provide a copy of this notification to MCSC.</p>	Charter School Board Chair	Within three weeks of vote to close the charter school	
25	<p>Notification of Contractors Agreement</p> <p>The school must formulate a list of all contractors with contracts in effect and:</p> <ul style="list-style-type: none"> notify them regarding school closure and cessation of operations; 	Charter School Financial Lead	Within three weeks of vote to close the charter school	

	<ul style="list-style-type: none"> • instruct contractors to make arrangements to remove any contractor property from the school by a certain date (copying machines, water coolers, other rented property); • retain records of past contracts as proof of full payment; and • maintain telephone, gas, electric, water and insurance (including Directors and Officers liability insurance) long enough to cover the time period required for all necessary closure procedures to be complete. <p>Provide MCSC written notice of such notification.</p>			
26	<p>Notification to Creditors</p> <p>Solicit from each creditor a final accounting of the school’s accrued and unpaid debt. Compare the figures provided with the school’s calculation of the debt and reconcile.</p> <p>Where possible, negotiate a settlement of debts consummated by a settlement agreement reflecting satisfaction and release of the existing obligations.</p> <p>Provide MCSC a written summary of this activity.</p>	Charter School Financial Lead	Within one month of vote to close the charter school	
27	<p>Notification to Debtors</p> <p>Contact all debtors and demand payment. If collection efforts are unsuccessful, consider turning the debt over to a commercial debt collection agency. All records regarding such collection or disputes by debtors regarding amounts owed must be retained.</p> <p>Provide MCSC a written summary of this activity.</p>	Charter School Financial Lead	Within one month of vote to close the charter school	

RECORDS				
Action Item	Responsible for Completing	Targeted Completion Date	Status	
28	<p>Disposition of Records</p> <p>Follow school's board's records retention policy, or a policy does not exist follow the appropriate policy and/or law.</p> <p>In all cases, the school board shall maintain all corporate records related to:</p> <ul style="list-style-type: none"> • loans, bonds, mortgages and other financing; • contracts; • leases; • assets and asset sales; • grants (records relating to federal grants must be kept in accordance with 34 CFR 8042.) • governance (minutes, by-laws, policies); • employees (background checks, personnel files); • accounting/audit, taxes and tax status; • employee benefit programs and benefits; and • any items provided for in the closure action plan. 	Charter School Board Chair	Within two months of the end of classes and ongoing	
29	<p>Final Report Cards and Student Records Notice</p> <p>The school must ensure that:</p> <ul style="list-style-type: none"> • all student records and report cards are complete and up to date; • parents/guardians are provided with copies of final report cards and notice of where student records will be sent (with specific contact information); and 	Charter School Administrative and Faculty Lead	One week after the end of classes	

	<ul style="list-style-type: none"> parents/ guardians receive a reminder letter or post card reminding them of the opportunity to access student records under Freedom of Information law. <p>Provide MCSC with a copy of the notice.</p>			
30	<p>Transfer of Student Records</p> <p>As required by state statute, the school must transfer all student records to students’ new schools. If a new school is not identified records will be transferred to the student’s resident district. Student records to include:</p> <ul style="list-style-type: none"> grades and any evaluation; all materials associated with Individual Education Plans; immunization records; and parent/guardian information. <p>The school must contact the relevant districts of residence for students and notify districts of how (and when) records—including special education records—will be transferred. In addition, the school must create a master list of all records to be transferred and state their destination(s).</p>	Charter School Administrative Lead, Charter School Faculty Lead and Charter School Parent Organization Lead	Within one month after the end of classes	
31	<p>Documenting Transfer of Records</p> <p>Written documentation of the transfer of records must accompany the transfer of all student materials. The written verification must include:</p> <ul style="list-style-type: none"> the number of general education records transferred; the number of special education records transferred; the date of transfer; the signature and printed name of the charter school representative releasing the records; and the signature and printed name of the district (or other entity) recipient(s) of the records. <p>Provide copies of all materials documenting the transfer of student records to MCSC.</p>	Charter School Board Chair and Charter School Administrative Lead	Within one month of the end of classes	
32	<p>Transfer of Testing Materials</p> <p>The school must determine state requirements regarding disposition of state assessment materials stored at the school and return as required.</p> <p>Provide MCSC with letter outlining transference of testing materials.</p>	Charter School Administrative Lead	One week after the end of classes	

FINANCIAL				
Action Item	Responsible for Completing	Targeted Completion Date	Status	
33	U.S. Dept. of Education Filings File Federal form 269 or 269a if the school was receiving funds directly from the United States Department of Education. See 34 CFR 80.41. Charter School Financial Lead One week after the end of classes	Charter School Financial Lead	One week after the end of classes	
34	IRS Status If the school has 501(c)(3) status, it must take steps to maintain that status including, but not limited to, the following: <ul style="list-style-type: none"> notification to IRS regarding any address change of the School Corporation; and filing of required tax returns or reports (e.g., IRS form 990 and Schedule A). If the school corporation proceeds to dissolution, notify the IRS of dissolution of the education corporation and its 501(c)(3) status, and provide a copy to MCSC.	Charter School Board Chair and Charter School Financial Lead	Date to be determined depending on 501(c)(3) status	
35	UCC Search The school should perform a Uniform Commercial Code (UCC) search to determine if there are any perfected security interests and to what assets security interests are attached. Provide a copy of the search to MCSC.	Financial Lead	Within 30 days of vote to close the charter school	
36	Audit	Charter School Board Chair and Charter School Financial Lead	Within 120 days of the end of classes	

	<p>The school must establish a date by which to complete a final close out audit by an independent firm or state auditor as determined by statute.</p> <p>Provide a copy of the final audit to MCSC.</p>			
37	<p>Vendors</p> <p>The school must:</p> <ul style="list-style-type: none"> • create vendor list; and • notify vendors of closure and cancel or non-renew agreements as appropriate. <p>Provide MCSC with a copy of all documents.</p>	Charter School Financial Lead	Within 45 days of vote to close the charter school	
38	<p>Inventory</p> <p>The school must:</p> <ul style="list-style-type: none"> • create a fixed asset list segregating state and federal dollars; • note source codes for funds and price for each purchase; and • establish fair market value, initial and amortized for all fixed assets. <p>Provide MCSC with a copy of all documents.</p>	Charter School Financial Lead	Within 45 days of vote to close the charter school	
39	<p>Disposition of Property</p> <p>At the time of closure the school must check with the state department of education regarding proper procedures for the disposition of property purchased with federal funds.</p>	MCSC and Charter School Financial Lead	Within 45 days of vote to close the charter school	
40	<p>Disposition of Inventory</p> <p>Establish a disposition plan (e.g., auction), and establish a payment process (e.g., cash, checks, credit cards) for any remaining items.</p> <p>Provide MCSC with a copy of all documents.</p>	Charter School Financial Lead	Within 45 days of vote to close the charter school	
41	<p>Payment of Funds</p> <p>The school should work with MCSC to prioritize payment strategy considering state and local requirements. Using available revenue and any funds from auction proceeds, pay the following entities:</p> <ul style="list-style-type: none"> • retirement systems; • teachers and staff; 	MCSC and Charter School Financial Lead	Plan complete within 45 days of vote to close the charter	

	<ul style="list-style-type: none"> • employment taxes and federal taxes; • audit preparation; • private creditors; • overpayments from state/district; and • other as identified by MCSC. <p>Provide MCSC with a copy of all materials associated with this action.</p>			
42	<p>Expenditure Reporting</p> <p>Ensure that Federal Expenditure Reports (FER) and the Annual Performance Report (APR) are completed.</p> <p>Provide MCSC a copy of all materials.</p>	Charter School Financial Lead	Within 45 days of the end of classes	
43	<p>Itemized Financials</p> <p>Review, prepare and make available:</p> <ul style="list-style-type: none"> • fiscal year-end financial statements; • cash analysis; • list of compiled bank statements for the year; • list of investments; • list of payables (and determinations of when a check used to pay the liability will clear the bank); • list of all unused checks; • list of petty cash; and • list of bank accounts. <p>Additionally, collect and void all unused checks as well as close accounts once transactions have cleared.</p>	Charter School Financial Lead	Within 30 days of the end of classes	
44	<p>Payroll Reports</p> <p>The school must generate a list of all payroll reports including taxes, retirement or adjustments on employee contracts.</p> <p>Provide MCSC with copies of all materials.</p>	Charter School Financial Lead	Within 30 days of the end of classes	
45	<p>List of Creditors and Debtors</p> <p>Formulate list of creditors and debtors and any amounts accrued and unpaid with respect to such creditor or debtor. The list should include:</p> <ul style="list-style-type: none"> • contractors to whom the school owes payment; • lenders; • mortgage holders; 	Charter School Financial Lead	Within three weeks of vote to close the charter school	

	<ul style="list-style-type: none">• bond holders;• equipment suppliers;• secured and unsecured creditors;• persons or organizations who owe the school fees or credits;• lessees or sub-lessees of the school; and• any person or organization holding property of the school.			
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