**Massachusetts Department of Elementary and Secondary Education**

**Commonwealth Charter School Closing Procedures**

January 2023

After the Massachusetts Board of Elementary and Secondary Education (BESE) votes its intent to non-renew, revoke, or suspend the charter of a charter school (School); or after a vote by a school's board of trustees (Board) to voluntarily surrender its charter, the trustees of the school are responsible for ensuring the completion of the items listed in these Closing Procedures in cooperation with the Massachusetts Department Elementary and Secondary of Education (DESE). All documents should be submitted to the Office of Charter Schools and School Redesign (OCSSR) of DESE unless otherwise indicated.

|  |  |  |  |
| --- | --- | --- | --- |
| **Item** | **Action** | **Due Date** | **Status** |
| ***Ongoing after the closure decision until the last day of instruction:*** | | | |
| **1** | Continue **current instructional program** as specified in the school's charter. |  |  |
| **2** | Continue to administer **MCAS** tests in accordance with regulations and policies. |  |  |
| ***Ongoing as necessary to conclude school affairs*** | | | |
| **3** | Continue to s**ubmit all required reports to DESE**, including, but not limited to: |  |  |
|  | (a) Required data including, but not limited to: SIMS data, School Safety and Discipline Report, etc. See the Superintendent's Checklist for a complete list: https[://w](http://www.doe.mass.edu/commissioner/checklist.html)ww.[doe.mass.edu/commissioner/checklist.html](http://www.doe.mass.edu/commissioner/checklist.html) |  |  |
|  | (b) submit student enrollment and attendance by grade level each week. |  |  |
|  | (c) submission of progress reports related to Tiered Focused Monitoring Reports required by the Office of Public School Monitoring and the Office of Language Acquisition. |  |  |
| **4** | Submit draft **minutes** for all board meetings within 3 business days of each meeting and final minutes when approved. Continue to submit agendas to DESE prior to each meeting. |  |  |
| **5** | Maintain necessary **insurance coverage** to protect the school's assets until closure  is finalized. |  |  |
| ***Immediately following the closure decision, the school's board of trustees must:*** | | | |
| **6** | Provide **contact information,** including name, contact address, telephone number, cell phone number, and email address, for all members of the school's current board to DESE. Ensure the Board Member Management System records are  accurate and up to date. |  |  |
| **7** | Designate a school contact person to send/receive communication from DESE regarding closure. Provide contact information, including affiliation with school,  contact address, telephone number, cell phone number, and email address. |  |  |
| **8** | Schedule **a public community meeting**, in coordination with DESE, to be held within 10 calendar days of the closure decision and to which all school stakeholders, including, but not limited to, parents, students, teachers, are invited. The purpose of the community meeting is to provide clear information about the  school's current operating status. |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Item** | **Action** | **Due Date** | **Status** |
| ***Within 10 calendar days of the closure decision:*** | | | |
| **9** | Elect by a vote of the board, a **trustee or trustees who will be responsible** for ensuring that Closing Procedures are completed, especially after school employees have been discharged. The board can vote to authorize this individual to act on the board’s behalf for purposes of engaging the services of a closing auditor in the  event that the full board in unable to meet. |  |  |
| **10** | Pursuant to contract or appointment, authorize an individual, a district, or entities, to **maintain student and school records** as outlined below. Provide the contact information for the individual(s) to DESE, including affiliation with school, contact address(es), telephone number(s), and email address(es). |  |  |
|  | (a) An appointed individual, individuals, or entities must assume responsibility for school records for a 10-year term, including, but not limited to, all payroll records. The contact information (name, address, phone, and email) of the appointed individual or entities must be valid for 10 years; the individual, individuals, or entities must immediately inform DESE in writing about any changes to contact information. This individual, individuals, or entities will be responsible for actions, including, but not limited to: verification of former employee's employment, copies of business records, and the ability to sign loan forgiveness documents for former employees for the next 10 years. The individual, individuals, or entities must submit a written acknowledgement to DESE of their assumption of  these documents and obligations associated with maintaining these documents. |  |  |
|  | (b) An appointed individual, individuals, district, or entities must assume responsibility for permanent student records (transcripts) for a 60-year term. The contact information for the individual, individuals, district, or entities must be valid for 60 years; if such information should change, the individuals, individuals, district, or entities must immediately inform DESE in writing. The individual, individuals, district, or entities must submit a written acknowledgement to DESE of their assumption of these documents including, but not limited to, that they understand and agree to fulfilling obligations of state and federal students records laws and that they will immediately inform DESE in writing if their contact  information should change. |  |  |
| **11** | Establish by a vote of the board and maintain, a separate checking account in which an amount of funds determined by DESE in consultation with the school must be set-aside for final legal, accounting, audit, or other expenses necessary to execute these Closure Procedures. In the event the school elected to be "self- insured" for unemployment purposes, the school may have significant financial liability after the end of instruction and reserve funds should be set aside.  Expenditures of funds from this account must be approved in writing by DESE in advance of incurring such obligations. |  |  |
| **12** | Provide **written notification, translated into prevalent languages, regarding the impending closure** to: |  |  |
|  | (a) **students/parents/guardians**. Such notification shall include, but not be limited  to the following: |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Item** | **Action** | **Due Date** | **Status** |
|  | (i) date of the last day of regular instruction according to the school's published  calendar for the year or as defined in the school's charter; |  |  |
|  | (ii) cancellation of any planned summer programs; |  |  |
|  | (iii) information for parents that enrollment of children in the public school of their district of residence or in a private school approved by the district in which it  is located is mandatory under state law; |  |  |
|  | (iv) the contact information for the enrollment office of the public school  district for the student's town of residence; and |  |  |
|  | (v) before the end of instruction, provide copies of the student records and a final report card and specific information regarding how to access students records after school closure. |  |  |
|  | (b) **all employees.** Such notification shall include, but not be limited to the  following: |  |  |
|  | (i) date of the last day of regular instruction according to the school's published  calendar for the year or as defined in the school's charter; |  |  |
|  | (ii) information regarding the date of termination of employment and/or  contracts and benefits; |  |  |
|  | (iii) information regarding possible eligibility for continuation of benefits under COBRA (<http://www.dol.gov/dol/topic/health-plans/cobra.htm)> or HIPAA (Health Insurance Portability Act https://[www.hhs.gov/hipaa/for-individuals/employers-](http://www.hhs.gov/hipaa/for-individuals/employers-) health-information-workplace/index.html), and unemployment benefits though the MA Division of Unemployment ([http://www.mass.gov/dua).](http://www.mass.gov/dua)) |  |  |
|  | (c) **sending district of residence for each student** must be notified of school closure and processes for coordination regarding student records. If applicable, notification of cessation of services for transportation, food programs, etc., and  return of district property should be included. |  |  |
|  | (d) **all debtors, creditors, landlords, lessors, and funding sources.** Such  notification should include the amount due to/from the school and indicate the need to negotiate a settlement of debts, if applicable. |  |  |
|  | (e) Provide to **DESE a copy** of each of these notifications, a list of  names/addresses/phone numbers of recipients, and proof that notifications were sent. |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Item** | **Action** | **Due Date** | **Status** |
| ***Within 30 calendar days of closure decision and updated as determined by DESE:*** | | | |
| **13** | Submit the following **financial documents** (and submit updates by the end of each  month until finalization of closure) |  |  |
|  | (a) a current **balance sheet** as of the month just ended before the closure decision,  including accompanying schedules for: |  |  |
|  | (i) all assets and their value; |  |  |
|  | (ii) accounts/loans payable or other liabilities that exceed $1,000; |  |  |
|  | (b) a current **income statement** as of the month just ended before the closure  decision |  |  |
|  | (c) a **grants report** indicating the anticipated use of all funds received through federal and state grants, including a plan to return funds as appropriate for grant projects/programs that will be terminated or not completed. The school cannot use  these funds for costs related to closure. |  |  |
|  | (d) a **comprehensive month-to-month cash flow statement** to operate the school through the closure date which accounts for the full disposition of assets and  specifically gives priority to and includes: |  |  |
|  | (i) payment of teachers and staff to ensure completion of the school's instructional program (including an itemized schedule of current and projected payroll and payroll benefit payments, including payout of any accrued  leave/vacation time); |  |  |
|  | (ii) total funds to satisfy all outstanding liabilities including but not limited to all contracts/leases and payoff of all debts and pending or existing lawsuits; |  |  |
|  | (iii) payments to the Massachusetts Teachers Retirement System (MTRS) on  behalf of employees; |  |  |
|  | (iv) payment of any costs associated with transition of students and records; |  |  |
|  | (v) costs for a complete, close-out financial audit; |  |  |
|  | (vi) all other costs associated with closure. |  |  |
|  | (e) A list of any financial agreements that extend beyond closure date and steps  needed to negotiate resolution. Copies of any property agreements. | | |

|  |  |  |  |
| --- | --- | --- | --- |
| **Item** | **Action** | **Due Date** | **Status** |
| ***Within 60 calendar days of closure decision:*** | | | |
| **14** | Engage by a vote of the board, an **independent auditor**, subject to DESE approval, to conduct a final close-out audit of the school. Submit a copy of the engagement letter and an estimated timeline for the start and completion of the  audit. |  |  |
| **15** | Submit a **student records transition plan**, including: |  |  |
|  | (a) the name(s) and **contact information** for the person(s) responsible for  **completion of student transcripts**, including insertion of final grades; |  |  |
|  | (b) the name(s) and contact information for the person responsible for ensuring student record compliance for all students with Individual Education Plan (IEPs) and for all English learners. A plan, including a timeline, for ensuring compliance with expectations for record keeping for students with disabilities and English  learners. |  |  |
|  | (c) the name(s) and contact information for the person(s) responsible for transition of students records and for providing assistance to students and parents in transferring from the charter school to the district public or private school chosen by the family; |  |  |
|  | (d) details about where and how records, both temporary and permanent, will be transferred or stored, how the school will provide the requisite notice to students and parents under 603 CMR 23.06(3), and how records will be destroyed in  compliance with 603 CMR 23.06; |  |  |
|  | (e) a timeline for the completion of this transfer. |  |  |
| **16** | Take appropriate action to **terminate any contracts/leases and any other obligations of the school** that extend beyond the closure date, including those related to summer instruction. Provide a list of all of the school's contracts and leases; provide monthly updates to the list regarding termination or satisfaction of obligation. |  |  |
| **17** | Submit a **plan for the disposition of all assets** owned by the charter school. The asset schedule should include the source of funding for each asset the source of funding for each asset (state/federal/private) including any buildings owned by the school. The disposition of assets plan should include plans to give first priority for equipment and supplies to other public schools and then to non-profit organizations. Assets purchased with federal funds should be donated to entities that also receive federal funds. Existing insurance coverage should be maintained on the assets until disposal or transfer of deed. **The school may not dispose of any fixed assets until DESE has approved the asset disposition plan**. All assets owned by a Horace Mann charter school must revert back to the district. A *Disposition of Assets* template can be provided by DESE or a school can create  one using their inventory and accounting system. |  |  |
| ***Prior to finalization of closure*** | | | |
| **18** | Submit the following **final reports**: |  |  |
|  | (a) SIMS End of Year enrollment data |  |  |
|  | (b) School Safety and Discipline Report |  |  |
|  | (c) Final Annual Report |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Item** | **Action** | **Due Date** | **Status** |
|  | (d) Final DESE Financial Report Forms along with any unspent funds for all grants. (If the school received funds directly from the U.S. Department of  Education, file Federal form 269 or 269a. See CFR 80.41) |  |  |
|  | (e) Close-out independent financial audit and final Charter School End of Year  Financial Report. |  |  |
|  | (f) A final balance sheet (as described above), indicating how the board ultimately  disposed of assets and resolved any outstanding obligations. |  |  |
| **19** | File all final federal, state, and local **tax returns** and issue final W2s and 1099s by  statutory deadlines to the appropriate parties. |  |  |
| **20** | Make all final payments to the **Massachusetts Teacher Retirement System**. |  |  |
| **21** | A separate **letter to every former and current school employee** verifying their position, and the exact start and end dates of employment and that if and when they participated in MTRS during their employment. This letter should be signed by the BOT chair or school leader and should provide contact information for the individual, entity, or district responsible for school records. Copies of all letters must be provided to DESE. |  |  |
| **22** | Submit a **check** to DESE made payable to the Commonwealth of Massachusetts  for **any remaining funds** after the settling of final accounts and the disposition of all assets. |  |  |