

Massachusetts Department of Elementary and Secondary Education

Horace Mann Charter School Closing Procedures

October 2018

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 a vote by a school's board of trustees (board) to voluntarily surrender its charter; or the board does not file an application for renewal of a public 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
<i>Ongoing after the closure decision until the last day of instruction:</i>			
1	Continue current instructional program as specified in the school's charter.		
2	Continue to administer MCAS tests in accordance with regulations and policies.		
<i>Ongoing as necessary to conclude school affairs</i>			
3	Continue to submit all required reports to DESE (SIMS data, School Safety and Discipline Report, etc.)		
4	Submit draft minutes for all board meetings within 3 business days of each meeting and final minutes when approved.		
5	Maintain necessary insurance coverage to protect the school's assets until closure is finalized.		
<i>Immediately following the closure decision, the school's board of trustees must:</i>			
6	Provide contact information, including name, contact address, telephone number, and email address, for all members of the school's current board to the OCSSR.		
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, and email address.		
8	Schedule a public community meeting, in coordination with DESE if needed, to be held within as soon as reasonably possible after the closure decision to which all school stakeholders--including parents, students, teachers, partners, etc., are invited, to provide clear information about the school's current operating status. DESE representative(s) may be present, to the extent possible and if requested.		

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.		
10	Pursuant to contract or appointment, authorize an individual, or entity, to maintain student and school records as outlined below. Provide the contact information for the individual/entity to the OCSSR, including affiliation with school, contact address(es), telephone number(s), and email address(es). For Horace Mann Charter Schools, DESE strongly recommends that the district becomes responsible for all records.		
	(a) The appointed individual(s) or entities must assume responsibility for school records for a 10 year term, including, but not limited to, all payroll records.		
	(b) The appointed individual or entity must assume responsibility for permanent student records (transcripts) for a 60 year term;		
11	Establish by a vote of the board, a separate checking account in which an amount of funds determined by the DESE in consultation with the school must be set-aside for final legal, accounting, audit, or other expenses necessary to execute this Closure Protocol. If the Horace Mann charter school has employees not included in the host district's payroll, and 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.		
12	Provide written notification regarding the impending closure to:		
	(a) students/parents/guardians. Such notification shall include, but not be limited		
	(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, an offer to 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		
	(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) coordinate with district to assist as needed in dissemination of information regarding the date of termination of employment and/or contracts and benefits to employees.		

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	(iii) coordinate with district to assist as needed in dissemination of 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), and unemployment benefits through the MA Division of Unemployment (http://www.mass.gov/dua).		
	(c) 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.		
	(d) Provide to the OCSSR a copy of each of these notices, a list of names/addresses of recipients, and proof that notifications were sent.		

Item	Action	Due Date	Status
<i>Within 30 calendar days of closure decision and updated as determined by DESE:</i>			
13	Submit the following financial documents (and submit updates on a monthly basis 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		
	(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 instructional 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;		
	(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.		

Item	Action	Due Date	Status
<i>Within 60 calendar days of closure decision and updated as determined by DESE:</i>			
14	Engage by a vote of the board, an independent auditor, subject to OCSSR 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(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;		
	(c) details about where records will be transferred or stored and how records will be destroyed;		
	(d) 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.		
17	Submit a plan for the disposition of all assets owned by the charter school. All assets owned by a Horace Mann charter school must revert back to the district. 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.		
<i>Prior to finalization of closure</i>			
18	Submit the following final reports:		
	(a) SIMS End of Year enrollment data		
	(b) School Safety and Discipline Report		
	(c) Final Annual Report		
	(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 or other applicable pension systems.		
21	Submit a check to the district for any remaining funds after the settling of final accounts and the disposition of all assets.		