



**North Carolina Department of Public Instruction
Office of Charter Schools
Charter School Closure Framework**

August 2015

Note: *New applicants should review the closure framework and develop closure policies and procedures to handle the assigned duties outlined. Well-developed closeout procedures aligned to the closure framework ensures all students, staff, and other stakeholders are transitioned appropriately upon the school’s dissolution.*

Timeframe for Termination Activities

Many of the tasks included in this document are urgent and must take place within days of the SBE vote to close the charter school. Other actions will be ongoing and cannot be finalized until the conclusion of the academic year. The non-profit board of directors is required to communicate closely with the Office of Charter Schools and provide advance copies of materials for board meetings (including agendas, financials, minutes, supporting documents, etc.). These communications must occur no less than once every two weeks, but more frequent communication is better and will include site visits by Department of Public Instruction staff.

CLOSURE INITIATION

	Assigned Duties	Person(s) Accountable	Timeframe	Status
1	<p>Specific Reasoning on the Charter School Closure: a document from Office of Charter Schools will include SBE date of vote, detailed rationale for decision (including all applicable NC General Statutes and SBE policies), explanation of appeal rights, and overview of school closure logistics.</p> <ul style="list-style-type: none"> LFI Item and supporting documentation, if applicable, will serve as public notification. 	OCS Director	Within 72 hours of the CSAB recommendation to end the charter	
2	<p>Establish Transition Team and Assign Roles and Responsibilities: a team dedicated to ensuring the smooth transition of students and staff in closing down the charter school. The team will include:</p> <ul style="list-style-type: none"> The OCS close-out specialist(s) and staff member from the Division of School Business; Charter School Board Chair; 	OCS Close-out specialist(s), Board Chair	Within 72 hours of the SBE vote to end the charter	

	Assigned Duties	Person(s) Accountable	Timeframe	Status
	<ul style="list-style-type: none"> • Lead Administrator from the Charter School; • Lead Finance Person from the Charter School; • Lead Student Coordinator from the Charter School (direct and consistent point of contact for students and parents on educational issues); and • Lead HR Coordinator (direct and consistent HR point of contact for staff). <p>The non-profit board of directors has the responsibility to ensure the closure process is fulfilled. Once the last date of operation is established, school employees are no longer employed and, therefore, no longer legally responsible for the close-out process. In the event of board member resignations, closure obligations must be handled by the remaining directors.</p> <p>Distribute contact information to all team members, set calendar for meetings and assign dates for completion of each charter school closure action item.</p> <ul style="list-style-type: none"> • OCS close-out specialist(s) will meet with the school’s transition team to establish closeout timeline, assign responsibilities, and troubleshoot issues, which may arise through the completion of the dissolution. • The school members of the transition team should move quickly to establish a student transition plan that focuses on disseminating enrollment information. This transition plan is not complete until all students are enrolled in a new educational setting (public school, non-public school, homeschool). 			
3	<p>Charter School Contact Information: prepare a list of board member and faculty contact information and give to the OCS close-out specialist(s). This list should include name, address, and email. For faculty and staff, the list should include the positions held, subject taught,</p>	Board Chair, Lead Administrator	Within 72 hours of the SBE vote to end the charter and updated as	

	Assigned Duties	Person(s) Accountable	Timeframe	Status
	and years worked at the school. If board members or faculty resign from their positions, this information must be provided to the OCS.		needed throughout closure process	
4	<p>Initial Closure Notification Letter: State and Local Agencies: each member of the Superintendent’s Leadership Council at DPI and affected Local Education Agencies (LEA) shall receive a letter that states the charter school is closing and provide the:</p> <ul style="list-style-type: none"> • Copy of termination letter 	OCS Director and/or Lead Close-out specialist(s)	Within 72 hours of the SBE vote to end the charter	
5	<p>Current Instruction: continue instruction under current education program per the charter agreement until end of school calendar for regular school year or until the end of the period stipulated by the SBE vote.</p>	Lead Administrator	Ongoing after SBE closure vote until end of classes in the SBE vote	
6	<p>Maintain Location and Communication: for the duration of closing the school’s operations, decide if the school will maintain its current facility. If so, access to the facility should be maintained. In the event the facility is sold or otherwise vacated, 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 notify the OCS close-out specialist(s) if any change in location or contact information occurs.</p>	Board Chair	Ongoing after SBE closure vote until completion of dissolution as determined by School Business	
7	<p>Maintain Insurance: the school’s assets, or 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 those assets; • Continue existing insurance for the facility, and vehicles; 	Board Chair	Ongoing after SBE closure vote until completion of dissolution as determined by School Business	

Assigned Duties	Person(s) Accountable	Timeframe	Status
<ul style="list-style-type: none"> • Negotiate facility insurance with entities that may take possession of school facility (lenders, mortgage holders, bond holders, etc.); • Continue or obtain appropriate security services; • Notify the insurance company and law enforcement in the case of theft; and • Maintain existing directors and officers liability insurance until the final dissolution of the school. 			

GOVERNANCE

Assigned Duties	Person(s) Accountable	Timeframe	Status
<p>8 Board Communication: provide advance copies of all meeting agendas, minutes, financials (monthly or as required by SBE), all supporting documentation for board of director minutes, and all documents as outlined through this framework to the OCS.</p>	Board Chair	Ongoing after SBE closure vote until completion of dissolution as determined by School Business	
<p>9 Documenting the Disposition of and Transfer of Corporate Records: the non-profit board should follow the records retention policy and all applicable federal and state laws regarding retention of records. In all cases, the board shall maintain all corporate records related to:</p> <ul style="list-style-type: none"> • Employees (background checks, personnel files) • Loans, bonds, mortgages and other financing • Contracts • Leases • Assets and asset sales • Grants 	Board Chair	Ongoing after SBE closure vote until completion of dissolution as determined by School Business	

Assigned Duties	Person(s) Accountable	Timeframe	Status
<ul style="list-style-type: none"> • Governance (minutes, by-laws, policies) • Accounting, audit, taxes, and tax status • Any items provided for in the closure action plan <p>A detailed retention plan on where records will be kept, the length of time, and a primary contact person responsible for records must be submitted to OCS close-out specialist.</p>			

FINANCE

Assigned Duties	Person(s) Accountable	Timeframe	Status
<p>10 Agencies/Organizational Partners: the school must satisfy SBE obligations to ensure a smooth transition for students. Agency notifications, on part of the charter school, may include:</p> <ul style="list-style-type: none"> • NC State Retirement System and State Health Plan; • Local Education Agency Superintendents; • Local Government Commission Auditor; • Organizations/Institutions with which the school has partnered; and • Secretary of State. 	Board Chair	Within 10 days of the SBE closure vote	
<p>11 Employees and Benefit Providers: the school should establish an employee termination date and provide OCS and DSB with all of the following materials:</p> <ul style="list-style-type: none"> • Notification to all employees of termination of employment and/or contracts; • Notification to all benefit providers of pending termination of all employees; • Notification to payroll processor of pending school closure; 	Board Chair	Ongoing after SBE closure vote until completion of dissolution as determined by School Business	

Assigned Duties	Person(s) Accountable	Timeframe	Status
<ul style="list-style-type: none"> • Notification of termination to all programs as of the last date of service in accordance with applicable law and regulations including <ul style="list-style-type: none"> a. Health care/health insurance b. Life insurance c. Dental plans d. Eye care plans e. Retirement plans <p>Specific rules and regulations may apply to such programs, especially teacher retirement plans. Therefore, legal counsel should be consulted.</p>			

EMPLOYEES

Assigned Duties	Person(s) Accountable	Timeframe	Status
<p>12 Initial School Communication to Staff about Closure: distribute letter to faculty and staff. This letter must be provided to the Office of Charter Schools while outlining:</p> <ul style="list-style-type: none"> • Closure decision of SBE • Timeline for transition • Contact information for student coordinator • Contact information for human resources coordinator 	Board Chair	Within 72 hours of the SBE vote to end the charter	
<p>13 Convene Faculty/Staff Meeting (if closure occurs during school year): the board chair must communicate the following:</p> <ul style="list-style-type: none"> • Rationale for SBE vote to close; • Student and staff transition timeline; <ul style="list-style-type: none"> ○ Any new employment assistance provided by the board ○ COBRA information, 	Board Chair	Within 72 hours of the SBE vote to end the charter	

	Assigned Duties	Person(s) Accountable	Timeframe	Status
	<ul style="list-style-type: none"> ○ Explanation of licensure renewal, experience credit, and/or CEUs to be granted for teachers, ○ Completion of evaluation materials through NCEES, and ○ Processing year-end tax information. ● Commitment to continuing school operations throughout the closure transition; ● Commitment to a positive transition for all students and staff; ● Plan to assist staff by offering compensation and benefit updates; and ● Contact information for transition team and human resources coordinator. <p>The non-profit board of directors must be clear about compensation that may be owed to teachers based on their negotiated agreements with the school. All of this transitory information must be provided to OCS.</p>			
14	<p>Employment Verification Reports: The school must provide an employment verification report to each employee at the end of their employment which includes the dates the individuals were employed by the school, the position(s) held (including grades and subjects taught if a teacher), and salary history, signed by the charter school lead administrator. The school must also provide a contact person for employees so that they obtain annual tax or other personnel related information as needed beyond the closure of the school.</p>	Lead Administrator	Ongoing after SBE closure vote until completion of dissolution as determined by School Business	

STUDENTS AND FAMILIES

	Assigned Duties	Person(s) Accountable	Timeframe	Status
15	<p>Initial School Communication to Parents: to parents. This letter must be provided to the Office of Charter Schools while outlining:</p>	Board Chair	Within 72 hours of the SBE vote	

	Assigned Duties	Person(s) Accountable	Timeframe	Status
	<ul style="list-style-type: none"> • Closure decision of SBE • Timeline for transition • Contact information for student coordinator • Contact information for human resources coordinator 		to end the charter	
16	<p>Convene Parent Closure Meeting (if closure occurs during school year): plan and convene a parent closure meeting.</p> <ul style="list-style-type: none"> • Make copies of and distribute the “Charter School Closure: FAQs” • Provide overview of SBE closure decision • Provide calendar of important dates for parents • Provide specific remaining school calendar and date for end of instruction • Present timeline for closing down school operations • Provide contact information for transition team and student coordinator • Notify parents of the specifics in the student transition plan: <ul style="list-style-type: none"> ○ Dates of state assessments and the last day of instruction ○ Notification of compulsory attendance requirements in G.S.115C-378 ○ Cancellation of any planned summer activities ○ Contact info for all LEAs served by the charter school ○ Explanation of how to attain student records under the law <p>Provide copies of all materials provided to parents must be forwarded to the OCS close-out specialist(s).</p>	Board Chair, Lead Administrator	Within 72 hours of the SBE vote to end the charter	
17	<p>Secure Student Records: ensure all student records are organized, up to date, and maintained in a secure location.</p>	Board Chair, Lead Administrator	Within 72 hours of the SBE vote to end the charter	
18	<p>Final Report Cards and Student Records Notice: the school must ensure that:</p>	Board Chair, Lead Administrator	One week after the last day of classes	

	Assigned Duties	Person(s) Accountable	Timeframe	Status
	<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 the final report cards and notice of where student records will be sent with specific contact information <p>Provide OCS close-out specialist(s) with a copy of this notice.</p>			
19	<p>Transfer of Student Records: the school must transfer all student records to students’ new school and/or district within which the charter is located. Student records include:</p> <ul style="list-style-type: none"> • Grades and evaluation • All materials associated with Individualized Education Plans • Immunizations records • Parent/guardian information • Any items required by state law or SBE policies <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 spreadsheet of all records to be transferred, state their destinations, provide the date of transfer, and the printed names of the charter representative delivering the records. This master list must include dates of delivery with a confirmation signature by each receiving district. All of this information must be submitted to the OCS close-out specialist.</p>	Board Chair	Within 30 days of last day of classes or no later than June 30	

SYSTEMS

Assigned Duties		Person(s) Accountable	Timeframe	Status
20	Transfer of Testing Materials: the school must comply with all requirements for testing materials through Accountability and Testing. The school must submit a signed notice from the school’s Regional Accountability Coordinator that all materials have been returned in compliance with requirements.	Lead Administrator	One week after the last day of classes	
21	U.S. Dept. of Education Filings: Communicate the closure of the school to the U.S. Department of Education for federal school code and any applicable federal grant or funding.	Board Chair	One week after the last day of classes	
22	Expunged Software: all department software removed from school computers and/or returned to DPI. Verification that these items are completed should be submitted to the OCS close-out specialist(s) and should contain signatures of the authorized school individual.	Board Chair, Lead Administrator	Within 90 days of the last day of classes or no later than June 30	
23	Close Down EDDIE:	Board Chair, Lead Administrator	Within 90 days of the last days of classes or not later than June 30	