



Policy Manual

*For Charter Schools Authorized by
the Indiana Charter School Board*

For more information, please visit the
Indiana Charter School Board website:

<http://www.in.gov/icsb>

Table of Contents

I. Appeal and Dispute Resolution Policy	3
II. Charter Amendment Policy	5
III. Closure Protocol	10
IV. Escrow Policy	24
V. Insurance Requirements Policy	25
VIII. Criminal History and Child Protection Index Checks Policy.....	28

I. Appeal and Dispute Resolution Policy

Adopted May 2018

Introduction

Indiana Code (“IC”) § 20-24 et seq. gives the Indiana Charter School Board (“ICSB”) significant discretion with respect to its authorizing, monitoring, renewal, and revocation decisions. In some cases, such as a decision by ICSB not to grant a charter to an organizer, the law provides a specific remedy. Specifically, under IC § 20-24-3-11, the organizer may amend its proposal and resubmit it to ICSB, or may submit its proposal to another authorizer. As such, a decision by ICSB not to grant a charter is not considered to be a “final order” and is thus not reviewable.

General disputes between an organizer and ICSB regarding an active charter are governed by Section 17.9 of the Charter Agreement (Sections 8.5 and 9.6 of the Revised Charter Agreement¹) and this Policy.

General Dispute Resolution Policy

With respect to a dispute arising from the provisions of the Charter, the Charter Agreement requires organizers to meet with ICSB staff and attempt a good faith negotiation of the resolution of the dispute before exercising any other remedy.

Specifically, the organizer must provide timely written notice, which may be delivered electronically, to ICSB’s Executive Director, setting forth a description of the dispute. Immediately following the receipt of such notice, the Executive Director and the organizer shall schedule either a meeting or conference call, as agreed to by both parties, to attempt to resolve the dispute. Such meeting or conference call shall take place as soon as practical, but at no time later than fifteen days (15) following the receipt of notice, if the dispute affects, or has the potential to affect, the daily operation of the school. There is no limit on the number of meetings or calls in which the parties may engage, provided that the Executive Director may impose a deadline if he or she determines it is in the best interest of the school. At or before that time, both parties shall either reach an agreement by mutual consent, or shall enter into in to alternative dispute resolution by selecting a neutral party to mediate the issue. The parties will employ the Shared Neutrals Program (<http://www.in.gov/oca/neutrals/>) to select the appropriate mediator.

Appeal of Charter Revocation or Nonrenewal

Administrative Review

If an organizer wishes to appeal an ICSB nonrenewal or revocation decision, the organizer must submit a request for an appeal in writing within fifteen (15) business days following the decision showing cause as to why the charter should not be revoked or should be renewed. The request must

¹ Applicable to schools opening in, or renewed for, the 2017-18 school year.

be signed by the party and mailed to the ICSB Executive Director. The appropriate mailing address is 143 West Market Street, Suite #420, Indianapolis, IN 46204. Upon receipt of a request for an appeal, ICSB will schedule an informal hearing within twenty-five (25) business days but no sooner than five (5) business days from the receipt of the request for review.

ICSB staff will arrange for space and staffing, including the appointment of an Administrative Law Judge (“ALJ”). During the hearing, ICSB staff will present the reasons and evidence supporting revocation or nonrenewal. The organizer, in turn, may (1) present evidence; (2) have an attorney present; (3) present witnesses to testify in opposition of the reasons given for nonrenewal or revocation; and (4) provide a proposed renewal or revocation corrective action plan.

The ALJ will consider all evidence presented and then make a final order recommendation. A final order recommendation must be issued in writing within ninety (90) days of the hearing conclusion or after the submission or proposed findings. This time frame can be extended or shortened with the written consent of all parties. The order will include a separately stated findings of facts, remedy prescribed, and the action taken on a petition for stay of effectiveness. It must also include a statement of available procedures. ICSB will vote on the recommendation at a public hearing. The ICSB’s vote on the ALJ’s recommendation is considered the “final decision” regarding the nonrenewal or revocation.

Judicial Review

If the petitioning party is not satisfied with ICSB’s final order, the party may seek judicial review within thirty (30) days of receiving the final order. The trial court will only dispute the issues of fact found in the record of the administrative appeal. The court cannot retry the appeal, but will simply affirm or reject the final order.

II. Charter Amendment Policy

Adopted June 2012

Revised and Re-adopted May 2018

Introduction

Charter schools operate with expanded autonomy in exchange for increased accountability. A charter school is held accountable to the language set forth in the approved initial or renewal charter application, which becomes part of the school's charter. A revision is a change to the school design as set forth in the school's charter. These revisions may include, but are not limited to, changes to the academic program, governance structure, mission, location of the school, and/or certain policies and procedures.

Revisions to a charter may require the approval of either the Indiana Charter School Board ("ICSB") or ICSB's Executive Director before the school can implement the change.

This Policy is designed to provide general information about the process for requesting revisions to charters. However, there may be operational changes that are not considered material (e.g., adding members to the Governing Board) but may still require other processes and/or approval.

Charter Amendments

Section 17.5 of the Indiana Charter School Board ("ICSB") Charter Agreement provides that a "Charter may be amended only by a written instrument executed by the mutual consent of the Organizer and the Executive Director."

Section 1.2 of the revised Charter Agreement² provides that:

The Organizer shall provide the Executive Director with an informal written request for any proposed changes to the Charter. In accordance with Indiana Charter Board policy, such changes may be approved by the Executive Director, or require additional formal approval by the Indiana Charter Board. The Organizer shall not be required to provide such written request for proposed changes to its Articles of Incorporation, Bylaws, general policies, or operational procedures provided that such proposed changes are communicated to the Executive Director prior to implementation, and are: (i) not otherwise prohibited or circumscribed by applicable law or the Charter, or (ii) are not materially different from those set forth in the Charter, as determined by the Executive Director.

As a general rule, material charter revisions are considered to be those revisions that result in a significant change to the school's educational philosophy, mission or vision; governance or leadership structure; or curriculum model or school design, or any other changes that are

² Applicable to schools opening in, or renewed for, the 2017-18 school year.

inconsistent with the current charter. Material charter revisions also include hiring or termination of a management company; change in school name; a change in location, if such revision results in relocation to another school district or geographic area; the maximum authorized enrollment; and/or grade levels served.

Non-material revisions are generally less significant changes to the school's educational philosophy, mission or vision; governance or leadership structure; the curriculum model; or school design, as determined by ICSB's Executive Director. Non-material changes may also include changes to the school's calendar or schedule; the school's by-laws; code of conduct; and/or major policies and procedures.

Material Changes

The following changes are considered material and require explicit approval by ICSB:

- 1) Revisions that fundamentally alter a school's mission, vision or educational philosophy;
- 2) Changes in the school design and/or educational program that are inconsistent with the school's charter;
- 3) Re-location of the school, if such revision results in relocation to another school district or geographic area;
- 4) Termination of a contract with an Education Service Provider for any reason; and
- 5) Contracting with an Education Service Provider, if such arrangement is new for the school.

Material changes to a school's Charter (or to any document incorporated by reference into the charter) requires a formal vote by the school's Governing Board. Any amendment request (or notification) submitted to ICSB staff must include an official copy of such Governing Board resolution. The amendment request must be signed by the chair of the Governing Board. The request may be submitted via email in PDF format or via standard mail.

ICSB's Executive Director will respond to the request or notice within fourteen (14) calendar days, unless an expedited review is requested by the Governing Board. The response will indicate what, if any, further action is required.

ICSB staff will attempt to place amendments requiring formal approval by ICSB on the next scheduled ICSB meeting agenda. If the request is the result of special circumstances, ICSB staff will attempt to schedule an emergency meeting of the ICSB board. However, ICSB staff cannot guarantee approval by a specific date. Therefore, it is recommended that potential amendments be submitted as early as possible.

Enrollment Plan Changes

A school may not make a change to its Enrollment Plan without the written permission of the Executive Director, that results in or has the effect of: (i) eliminating or nearly eliminating a grade or grades the Organizer was scheduled to serve under the Enrollment Plan; (ii) not enrolling any returning students scheduled to be served under the Enrollment Plan; (iii) eliminating any student's seat after the student has been admitted; or (iv) changing the school's maximum enrollment, except as described below.

However, an Organizer may: i) enroll a total number of students different from the school's maximum enrollment as set forth in its current Enrollment Plan, as long as the total enrollment does not exceed one hundred and ten percent (110%) of the maximum enrollment; and ii) vary the number of students in any particular grade and/or number of students within a class from that provided for in the Enrollment Plan for the purpose of accommodating staffing exigencies, attrition patterns and facilities.

Any variance from the school's Enrollment Plan, as amended, including the grade levels and maximum student enrollment to be served by the school must be approved in advance by ICSB's Executive Director. The form and timing of such requests are governed by ICSB's Enrollment Plan Amendment Policy.

Non-Material Changes

The following changes are generally not considered material. However, written notice must be provided to ICSB's Executive Director, who reserves the right to determine whether such change requires written approval:

- 1) Changes or corrections to the school's mission or vision statement or other sections of the charter that do not fundamentally alter a school's mission, vision or educational philosophy;
- 2) Minor corrections/clarifications to the school's organizational structure or charter;
- 3) Changes in the school's bylaws, code of conduct, discipline policy, personnel policy, complaint policy, student/family handbook, or teacher/staff handbook;
- 4) Changes in the school's admissions policy or enrollment process;
- 5) Minor changes in the school's schedule that are consistent with the charter; or
- 6) Adding a board member to an existing charter school.

Substantial changes to those documents listed in Attachment 2 of ICSB's Reporting Requirements, attached hereto as Exhibit A, must be re-submitted to ICSB staff.

Changes That Must Be Reported Immediately to ICSB

As detailed in the Charter Agreement, the following changes in governance and/or operations must be reported immediately (i.e., within five (5) calendar days) to ICSB's Executive Director:

1. The organizer's state or federal tax-exempt status is questioned, modified, or revoked;
2. The organizer's ability to conduct business in the State of Indiana is questioned, modified, or revoked by the Indiana Secretary of State;
3. Any material change in the availability or condition of the physical plant, such as through flood, fire, or other unanticipated circumstance;
4. Any allegation that the organizer or the lessor has breached any lease, deed or other land use agreement concerning the physical plant;
5. Any proposal to move the school from its current facility to another or from its current location to another; or
6. Any lawsuit or administrative proceeding arising out of the operation of the school in which the organizer or school is named a plaintiff or defendant.

Exhibit A
(Attachment 2 of ICSB's Reporting Requirements)

<i>Must be Retained on Site and</i>	
Re-submitted if Substantially Changed	Not Required to be Re-submitted
Student/Family Handbook	Staff Performance Evaluations
Discipline Policy (if separate from Student/Family Handbook)	Assessment Calendar
Employee/Staff Handbook	Student List
Organizational Chart	Expanded Background Checks
School Calendar	Expanded Child Protection Index Checks
Admissions/Enrollment Process	Student Health Records
Student Privacy (FERPA) Policy	Employee Files
School Calendar	Complaints/Grievances
Transportation Plan	Marketing Strategies
Financial Management/Internal Controls	Vendor Contracts (other than management contracts)
Lease Agreements, Mortgage and/or Deeds	Certificate of Occupancy
Governance Documents (Articles, Bylaws, Board Governance Policies, etc.)	Form 9 as submitted to DOE
Management Contract with ESP (if applicable)	Inventory List with Assets Purchased and Fund Allocation
Resumes for new Board Members	Special Education Records and Documentation
	English Language Learner Records and Documentation
	Staff Resumes/Qualifications
	Health/Safety Permits
	Loans/Debt Documentation
	IRS Documentation of 501c3 Status

III. Closure Protocol

Adopted October 2013

Revised March 2018; December 2019

Introduction

The Indiana Charter School Board (“ICSB”) is required by law to develop a charter school protocol “to ensure timely notification to parents, orderly transition of students and student records to new schools, and proper disposition of school funds, property, and assets” to enable it to “oversee and work with the closing charter school to ensure a smooth and orderly closure and transition for students and parents...” ICSB’s Closure Protocol is designed to fulfill these statutory obligations and to provide transparency and information to ICSB-authorized schools.

The closure process has three major components: (1) notice; (2) presenting contrary evidence to closure; and (3) winding down of operations. These components are similar for both revocation and nonrenewal, though some components differ slightly. The legal difference between revocation and nonrenewal is a distinction in time. Revocation happens when an authorizer cancels the Charter for cause during the charter term (e.g., in year two). Nonrenewal takes place at the end of the charter term if an authorizer determines that another charter should not be issued.

Revocation

ICSB may revoke a charter under one of the following circumstances:

1. An organizer fails to commence school operations or to have students in attendance at the school at the time the school is to commence instruction;
2. An organizer fails to comply with the conditions of a Charter;
3. A school fails to meet educational goals set forth in a Charter;
4. An organizer fails to comply with applicable federal and state laws;
5. An organizer fails to meet generally accepted fiscal management and government accounting principles; or
6. One (1) or more grounds for revocation exist as specified in the Charter, including, but not limited to, a failure to meet any of the standards of the Indiana Charter Board’s Accountability System.

If it is determined that one of the above circumstances exists, ICSB staff will notify the organizer of the deficiency in writing and the organizer must respond in writing within fifteen (15) business days either showing cause as to why the Charter should not be revoked or proposing a cure for the deficiency (the “Corrective Plan”). ICSB staff will review the organizer’s response and provide a written recommendation to ICSB.

If the recommendation is for revocation of a charter, ICSB staff will provide notice to the organizer allowing a reasonable amount of time to prepare a response. The organizer may submit additional

documents to support the case against revocation and to give testimony at the renewal hearing. The organizer may be represented by counsel.

ICSB may accept, modify, or reject an organizer's proposed Corrective Plan, or may vote to revoke the Charter.

If ICSB votes to revoke the Charter, the Chair of the governing board of the organizer and the principal of the school will be notified within twenty-four (24) hours via phone or email with a certified letter to follow. The notification will include (1) the grounds for revocation; (2) a revocation date; and (3) an explanation of the appeals process timeline.

Non-renewal

The renewal process begins in the Fall of the final school year of the charter agreement with a final ICSB decision to be made at a public hearing no later than April 31st of the final school year. Renewal decisions are primarily based on evidence of a school's performance over the term of the charter contract in accordance with ICSB's Accountability System. For more specific guidance on the renewal process, please review ICSB's Renewal Guidelines.

ICSB's Executive Director will contact the organizer at least fifteen (15) days prior to the public hearing to discuss the staff recommendation. If the recommendation is not to renew the charter, the organizer may either withdraw its renewal application (allowing the charter to expire), or contest the staff recommendation. The organizer may submit additional documents to support the case for renewal and to give testimony at the renewal hearing. The organizer may be represented by counsel.

After the Executive Director presents the staff's recommendation to ICSB at the renewal hearing, the organizer has thirty (30) minutes to respond to the nonrenewal recommendation. ICSB will also allow thirty (30) minutes for any relevant public testimony. Once this is completed, ICSB will vote on whether or not to renew the Charter.

If the ICSB votes for nonrenewal of the Charter, the Organizer, via the Board Chairman, and school leadership will be notified by certified letter of the nonrenewal. Nonrenewal notification will include (1) the grounds for nonrenewal; (2) the nonrenewal date; and (3) an explanation of the appeals process timeline.

Appeals

Appeals of an ICSB nonrenewal or revocation decision are in accordance with ICSB's Appeals and Dispute Resolution Policy.

Winding Down of Operations

Should a school be closed, for whatever reason, the organizer is responsible for ensuring:

- timely notification to parents;
- orderly transition of all charter school records;
- orderly transition of students and student records; and
- proper disposition of school funds, property, and assets, including payment of any and all debts, loans, liabilities (contingent or otherwise) and obligations incurred at any time by the organizer in connection with the operation of the school.

Assets of the charter school must be distributed first to satisfy outstanding payroll obligations for employees of the charter school, then to creditors of the charter school, then to any outstanding debt to the common school fund; and (2) the remaining funds received from the department shall be returned to the department not more than thirty (30) days after the charter school ceases operation. If the assets of the charter school are insufficient to pay all parties, the priority of the distribution of assets may be determined by a court.

Under no circumstances shall ICSB, or its employees, agents, or representatives, or those acting on behalf of the ICSB's employees, agents and representatives, be responsible for such obligations.

Disposition of Student Records

Immediately following the final decision to close a charter school, the school must follow the following procedures regarding the transfer of student records.

The school must send a written notice regarding the school closure to the parent or guardian of each student attending the school, and inform the parent or guardian that the parent or guardian has thirty (30) days from the date of the notice to notify the charter school in which new school the parent or guardian plans to enroll the student. The notice must clearly state, in bold type, that if the parent or guardian does not know in which school the parent or guardian plans to enroll the student, or does not notify the charter school in which school the parent or guardian plans to enroll the student within the thirty (30) day window, the charter school will automatically transfer the student's education records to the student's school of legal settlement, and that the parent or guardian consents to such transfer.

If the parent or guardian responds to the notice within thirty (30) days, the charter school shall transfer the student's education records to the school indicated by the parent or guardian.

The organizer must cooperate with ICSB and ICSB staff Executive Director to effectuate the orderly closing of the school as set forth in the Closing Checklist attached hereto as Exhibit A.

Exhibit A

Closing Checklist

I. Overview

Completion Date	Description of Required Actions	Responsible Party	Status
w/in 48 hours of ICSB's vote to close the charter school	Establish Transition Team, Develop Closure Plan, and Assign Roles Transition team may include ICSB staff, Governing Board member, school leader, faculty representative, CFO, etc.	School Lead ICSB Lead	
w/in 5 business days of ICSB's vote to close the charter school	Assign Transition Team Action Item Responsibilities Develop plan, exchange contact information and assign roles. Agree on a meeting schedule to review progress and interim, written status reports to include: <ol style="list-style-type: none"> 1. Reassignment of students. 2. Return or distribution of assets. 3. Transfer of student records. 4. Notification to entities doing business with the school. 5. The status of the school's finances. 6. Submission of all required reports and data to ICSB and/or state. 	School Lead ICSB Lead	
w/in 60 days of the end of the fiscal year	Submit Final Report Submit a final report to ICSB staff detailing completion of the closure plan.	School Lead	

II. Notification and Initial Steps

Completion Date	Description of Required Actions	Responsible Party	Status
Parent Notification and Information Dissemination			
w/in 48 hours of ICSB's vote to close the charter school	Provide a copy of parent contact information to ICSB staff.	School Lead	

<p>w/in 48 hours of ICSB’s final vote to close the charter school</p>	<p>Notify Parents / Guardians of Closure Decision ICSBS staff and charter staff/board collaborate to ensure that parents/guardians are notified regarding the closure decision, including:</p> <ol style="list-style-type: none"> 1. Timeline for transition. 2. Assurance that instruction will continue through the end of the school year or the date when instruction will cease. 3. Assurance that parents/students will be assisted in the reassignment process. 4. FAQ about the charter closure process. 5. ICSB and School contact information for parents/guardians with questions. 6. Information regarding the transfer of student records. 	<p>ICSB Lead School Lead</p>	
<p>w/in 10 business days of ICSB’s final vote to close the charter school</p>	<p>Convene Parent Closure Meeting Plan and convene a parent closure meeting</p> <ol style="list-style-type: none"> 1. Make copies of “Closure FAQ” document available. 2. Provide overview of ICSB board closure policy and closure decision. 3. Provide calendar of important dates for parents. 4. Provide specific remaining school vacation days and date for end of classes. 5. Present timeline for transitioning students. 6. Present timeline for closing down of school operations. 7. Provide contact information. 	<p>ICSB Lead</p>	
<p>Staff Notification and Information Dissemination</p>			
<p>w/in 48 hours of ICSB’s vote to close the charter school</p>	<p>Faculty Contact Information Provide a copy of faculty contact information to ICSB staff.</p>	<p>School Lead</p>	
<p>w/in 10 business days of ICSB’s final vote to close the charter school</p>	<p>Meet with Charter School Faculty and Staff Principal, charter board chair, and ICSB staff meet with the faculty and staff to:</p> <ol style="list-style-type: none"> 1. Discuss reasons for closure. 2. Emphasize importance of maintaining continuity of instruction through the end of the school year. 3. Discuss plans for helping students find new schools. 	<p>ICSB Lead</p>	

	<ol style="list-style-type: none"> 4. Identify date when last salary check will be issued, when benefits terminate, and last day of work. 5. Describe any assistance to be provided to faculty and staff to find new positions. 		
Partner Notification and Information Dissemination			
w/in 24 hours ICSB’s vote to close the charter school and ten business days of ICSB’s final vote to close the charter school	<p>Notify the Indiana Department of Education Notify the Indiana Department of Education Office of Charter Schools. Within ten days of ICSB’s final vote to close the charter school, notify the following departments and agencies:</p> <ol style="list-style-type: none"> 1. School finance 2. Grants management 3. Federal programs 4. PERF 5. Assessment 6. Data reporting 7. Child nutrition 	ICSB Lead	
w/in 24 hours of ICSB’s vote to close the charter school	<p>Notify School Districts Materially Impacted Notify districts materially impacted by the closure decision, including:</p> <ol style="list-style-type: none"> 1. Possible appeals and timeline for final decision. 2. Copy of the letter sent to parents. 3. Copies of letters sent to other stakeholders (e.g., faculty). 4. FAQ about the charter closure process. 5. Information about the plan being developed to ensure an orderly closure process. 6. Authorizing board decision materials (e.g., a resolution to close school, copy of a termination agreement), if available. 7. Contact information for questions. 	ICSB Lead	
w/in 10 business days of a key event	<p>Send Additional and Final Notifications Notify parents, staff, the IDOE, and affected school districts in writing after key events.</p>	ICSB Lead	
Media			
w/in 24 hours of ICSB’s initial vote to close the	<p>Talking Points Create talking points directed towards parents, faculty, community and press. Focus on communicating plans for orderly transition of students and staff. Distribute to the transition team.</p>	ICSB Lead	

charter school			
w/in 24 hours of ICSB's vote to close the charter school	<p>Press Release Create and distribute a press release that includes the following:</p> <ol style="list-style-type: none"> 1. History of the school; 2. Authorizing board closure policies; 3. Reason(s) for school closure; 4. Outline of support for students, parents, and staff; and 5. A press point person for the ICSB and for the school. 	ICSB Lead	
Budget			
w/in 5 business days of ICSB's final vote to close the charter school	<p>Review Budget</p> <ol style="list-style-type: none"> 1. Review budget to ensure that sufficient funds exist to operate the school through the end of the school year, if applicable. 2. Emphasize the legal requirement to limit expenditures to only those in the approved budget, while delaying approved expenditures that might no longer be necessary until a revised budget is approved. 3. Make revisions that take into account closure and associated expenses while prioritizing continuity of instruction. 4. Identify acceptable use of reserve funds. 	School Lead	

III. Finalize School Affairs: Governance and Operations

Completion Date	Description of Required Actions	Responsible Party	Status
Summer School			
TBD	<p>Terminate Summer Instruction Program Take appropriate action to terminate any summer instruction, such as canceling teaching contracts.</p>	School Lead	
Student Records			
TBD	<p>Secure Student Records Ensure all student records are organized, up to date, and maintained in a secure location.</p>	School Lead	
TBD	<p>Transfer Student Records and Testing Material Provide assistance to parents/guardians in locating alternative educational opportunities. Transfer “student records” as requested. Contact districts of residence, or schools of choice, for students and provide notification of how (and when) records will</p>	School lead	

	<p>be transferred. In addition, the school must create a master list of all records to be transferred and state their destination.</p> <p>Document the transfer of records to include:</p> <ol style="list-style-type: none"> 1. The number of general and special education records transferred. 2. Date of transfer. 3. Signature and printed name of the charter school representative releasing the records. 4. Signature and printed name of the organization who receives the records. <p>All student records not transferred to new schools must be submitted to IDOE.</p>		
Assets and Location			
TBD	<p>Maintain Identifiable Location</p> <p>Maintain the school’s current location through the winding up of its affairs or relocate its business records and remaining assets to a location with operational telephone service that has voice message capability. In the event the facility is sold or otherwise vacated before concluding the school’s affairs, the school must relocated 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 ICSB staff if any change in location or contact information occurs.</p>	School Lead	
ongoing	<p>Protect School Assets</p> <p>Protect the school’s assets and any assets in the school that belong to others against theft, misappropriation and deterioration.</p> <ol style="list-style-type: none"> 1. Maintain existing insurance coverage on assets, including facility and vehicles, until the disposal of such assets in accordance with the closure plan. 2. Negotiate school facility insurance with entities that may take possession of school facility – lenders, mortgagors, bond holders, etc. 	School Lead	

	3. Obtain or maintain appropriate security services. Action may include moving assets to secure storage after closure or loss of facility.		
TBD	<p>Inventory assets</p> <p>Conduct an inventory of school assets, identifying items:</p> <ol style="list-style-type: none"> 1. Loaned from other entities. 2. Encumbered by the terms of a contingent gift, grant or donation, or a security interest. 3. Belonging to the EMO/CMO, if applicable, or other contractors. 4. Purchased with federal grants (dispose of such assets in accordance with federal regulations). <p>Return assets not belonging to school where appropriate documentation exists. Keep records of assets returned.</p>	School Lead	
Contracts			
Within 10 business days of ICSB's final vote to close the charter school	<p>Notify Commercial Lenders / Bond Holders</p> <p>Within ten (10) days after the final decision on the charter school closure, and after all appeals have been exhausted, notify banks, bond holders, etc., of the school's closure and a likely date as to when an event of default will occur as well as the projected date of the last payment by the school toward its debt.</p>	School Lead	
TBD	<p>Notify Funding Sources / Charitable Partners</p> <p>Notify all funding sources, including charitable partners of school closure. Notify state and federal agencies overseeing the school's grants that the school will be closing.</p>	School Lead	
Within 10 business days of ICSB's final vote to close the charter school	<p>Notify Educational Service Provider (ESP) and Termination of Contract (if applicable)</p> <p>Review the management agreement and take steps needed to terminate the agreement at the end of the school year or when the charter contract expires.</p> <ol style="list-style-type: none"> 1. Notify the ESP of termination of education program by the school's board, providing the last day of classes. 2. Provide notice of non-renewal/revocation in accordance with the ESP contract. 3. The management company should be asked for a final invoice and accounting, including an accounting of any retained school funds and the status of grant funds. 	School Lead	

	<p>4. The school and the management company should agree upon how the company will continue to provide educational services until the last day of instruction.</p> <p>5. The school and the management company agree when other services including business services will end.</p> <p>6. Provide notice that the ESP should remove any property lent to the school after the end of classes; and</p> <p>7. Request a receipt of such property.</p> <p>Provide a copy of this notification to ICSB staff.</p>		
TBD	<p>Notify Employees and Benefit Providers</p> <p>Formally notify all employees of termination of employment at least 60 days before closure to include date of termination of all benefits in accordance with applicable law and regulations (i.e. COBRA) and eligibility for Indiana Unemployment Insurance pursuant to any regulations of the Indiana Department of Labor. Notify benefit providers of pending termination of all employees, to include:</p> <ol style="list-style-type: none"> 1. Medical, dental, vision plans. 2. Life insurance. 3. Cafeteria plans. 4. 403(b), retirement plans. 5. PERF <p>Consult legal counsel as specific rules and regulations may apply to such programs.</p>	School Lead	
TBD	<p>List all Creditors and Debtors</p> <p>Formulate a list of creditors and debtors and any amounts accrued and unpaid with respect to such creditor or debtor.</p> <ol style="list-style-type: none"> 1. This list is not the same as the contractor list, below, but may include contractors. 2. Creditors include lenders, mortgage holders, bond holders, equipment suppliers, service providers and secured and unsecured creditors. A UCC search should be performed to identify secured creditors. 3. Debtors include persons who owe the school fees or credits, any lessees or sub-lessees of the school, and any person holding property of the school. 	School Lead	
TBD	Notification to Creditors	School Lead	

	<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 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 ICSB staff a written summary of this activity.</p>		
TBD	<p>Notify Contractors and Terminate Contracts The school must formulate a list of all contractors with contracts in effect and:</p> <ol style="list-style-type: none"> 1. Notify them regarding school closure and cessation of operations; 2. Instruct contractors to make arrangements to remove any contractor property from the school by a date certain (copying machines, water coolers, other rented property); 3. Retain records of past contracts as proof of full payment; 4. Maintain telephone, gas, electric, water, insurance; and 5. Terminate contracts for goods and services as of the last date such goods or services will be needed. <p>Provide ICSB staff written notice of such notification.</p>	School Lead	
TBD	<p>Vendors The school must:</p> <ol style="list-style-type: none"> 1. Create a vendor list, including food and transportation vendors; and 2. Notify vendors of closure and cancel or non-renew agreements as appropriate. <p>Provide ICSB staff with a copy of all documents.</p>	School Lead	
Maintain Corporate Records			
TBD	<p>Maintain Corporate Records Maintain all corporate records related to:</p> <ol style="list-style-type: none"> 1. Loans, bonds, mortgages and other financing. 2. Contracts. 3. Leases. 4. Assets and asset distribution. 5. Grants -- records relating to federal grants must be kept in accordance with 34 CFR 80.42. 	School Lead	

	6. Governance (minutes, bylaws, policies). 7. Employees (background checks, personnel files). 8. Accounting/audit, taxes and tax status, etc. 9. Personnel. 10. Employee benefit programs and benefits. 11. Any other items listed in the closure plan. Determine where records will be stored after dissolution.		
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IV. Finalize School Affairs: Finance

Completion Date	Description of Required Actions	Responsible Party	Status
Tax Status			
Throughout closure process	Maintain IRS 501(c)(3) Status Maintain IRS 501(c)(3) status, including: 1. Notify IRS regarding any address change. 2. File required tax returns and reports.	School Lead	
Disposition			
TBD	Disposition of Property Work with IDOE regarding proper procedures for disposition of property purchased with federal funds.	School Lead	
TBD	Disposition of Inventory Establish a disposition plan (e.g., auction), and establish a payment process (e.g., cash, checks, credit cards) for any remaining items. Provide ICSB staff with a copy of all documents.	School Lead	
TBD	Disposition of Real Property (e.g., facility) (if applicable) Determine the steps for disposing of real property.	School Lead	
Determine PERF Obligations			
TBD	Determine PERF Obligations Contact PERF to determine remaining liabilities for employee retirement program.	School Lead	
Federal Grants			
Within 60 days of the end of classes	Close Out All State and Federal Grants Close out state, federal, and other grants. This includes filing any required expenditure reports or receipts and any required program reports, including disposition of grant assets.	School Lead	
Final Steps			
TBD	Itemize Financials Review, prepare and make available the following: 1. Fiscal year-end financial statements.	School Lead	

	<p>2. Cash analysis.</p> <p>3. Bank statements for the year, investments, payables, unused checks, petty cash, bank accounts, and payroll reports including taxes.</p> <p>Collect and void all unused checks and destroy all credit and debit cards. Close accounts after transactions have cleared.</p>		
w/in 120 days of the end of classes	<p>Prepare Final Financial Statement</p> <p>Retain an independent accountant to prepare a final statement of the status of all contracts and other obligations of the school, and all funds owed to the school, showing:</p> <ol style="list-style-type: none"> 1. All assets and the value and location thereof. 2. Each remaining creditor and amounts owed. 3. Statement that all debts have been collected or that good faith efforts have been made to collect same. 4. Each remaining debtor and the amounts owed. <p>Provide a copy of the final statement to ICSB staff.</p>	School Lead	
TBD	<p>Complete Final Financial Audit</p> <p>Complete a financial audit of the school by a date to be determined by ICSB staff.</p>	School Lead	

V. Finalize School Affairs: Reporting

Completion Date	Description of Required Actions	Responsible Party	Status
TBD	<p>Prepare End-of-Year Reports</p> <p>Prepare and submit all required end-of-year reports to ICSB and IDOE</p>	School Lead	
One week after the end of classes	<p>Prepare Final Report Cards and Student Records Notice</p> <p>Provide parents / guardians with copies of final report cards and notice of where student records will be sent as well as contact information.</p>	School Lead	

VI. Dissolution (if applicable)

Completion Date	Description of Required Actions	Responsible Party	Status
TBD	<p>Dissolve the Organizer</p> <ol style="list-style-type: none"> 1. The charter school board adopts a resolution to dissolve that indicates to whom the assets of the 	School Lead	

	<p>non-profit corporation will be distributed after all creditors have been paid.</p> <p>2. Unless otherwise provided in the bylaws, the members (if any) or board votes on the resolution to dissolve. A non-profit corporation is dissolved upon the effective date of its articles of dissolution.</p>		
TBD	<p>Notify the Secretary of State</p> <p>After the resolution to dissolve is authorized, dissolve the corporation by delivering to the Secretary of State for filing articles of dissolution setting forth:</p> <ol style="list-style-type: none"> 1. The name of the non-profit corporation. 2. The address of the non-profit corporation's principal office. 3. The date dissolution was authorized. 4. If dissolution was authorized by the directors, a statement to that effect. 5. If dissolution was approved by the members, a statement of the number of votes cast for the proposal to dissolve. 6. Such additional information as the Secretary of State determines is necessary or appropriate. 	School Lead	
TBD	<p>Notify Known Claimants</p> <p>Give written notice of the dissolution to known claimants within ninety (90) days after the effective date of the dissolution.</p>	School Lead	
TBD	<p>End Corporate Existence</p> <p>A dissolved non-profit corporation continues its corporate existence, but may not carry on any activities except as is appropriate to wind up and liquidate its affairs, including:</p> <ol style="list-style-type: none"> 1. Collecting its assets. 2. Transferring, subject to any contractual or legal requirements, its assets as provided in or authorized by its articles of incorporation or bylaws. 3. Discharging or making provision for discharging its liabilities. 4. Doing every other act necessary to wind up and liquidate its assets and affairs. 	School Lead	
TBD	<p>Notify IRS</p> <p>Notify the IRS of dissolution of the education corporation and its 501(c)(3) status.</p>	School Lead	

IV. Escrow Policy

Adopted Fall 2012

Revised and Re-adopted May 2018

Section 3.7 of the Indiana Charter School Board (“ICSB”) Charter Agreement (Section 6.9 of the Revised Charter Agreement³) Indiana Charter School Board (“ICSB”) Charter Agreement provides that: “[t]he Organizer will establish an escrow account in order to facilitate the wind down of operations and audit expenses that would be associated with the dissolution of the Charter School, should it occur. This escrow account shall be established in accordance with the Indiana Charter Board policy.”

The ICSB hereby establishes the following policy:

Each charter school must establish a separate escrow account of no less than thirty-thousand dollars (\$30,000). This reserve must be maintained outside of the school’s general operating fund account and cannot be used for operational purposes. The school may provide for the full amount at any time during its first three years of operation, or provide for a minimum of ten-thousand dollars (\$10,000) per year for the first three years of its charter term, beginning with the December following the school's first fiscal year of instruction. The Charter School’s failure to provide for a minimum of ten-thousand Dollars (\$10,000) by December 31st in each of the first three years of its charter term, beginning with the December following the first fiscal year of instruction, will be deemed a material violation of the Charter Agreement.

For example, a school that begins serving students in the Fall of 2017 must establish an escrow account with a minimum of ten-thousand dollars (\$10,000) by December 31, 2018, an additional ten-thousand dollars (\$10,000) by December 31, 2019, an additional ten-thousand dollars (\$10,000), for a total of thirty-thousand dollars (\$30,000), by December 31, 2020.

For questions regarding this policy, please contact James Betley, the Executive Director of the ICSB, at jbetley@icsb.in.gov.

³ Applicable to schools opening in, or renewed for, the 2017-18 school year.

V. Insurance Requirements Policy

Adopted Fall 2012

Revised and Re-Adopted May 2018

General Requirements

Charter schools authorized by the Indiana Charter School Board (“ICSB”) are required to indemnify ICSB, any related entities, and their respective members, officers, employees, officials and agents.

In addition, charter schools must obtain liability insurance coverage naming ICSB as Additional Insured on a primary, non-contributory basis. New schools must submit a copy of the endorsement reflecting these additions to ICSB no later than May of the calendar year in which the charter school is scheduled to begin instructing students.

All coverage must be obtained from a licensed insurance carrier that is rated “A” or better by A.M. BEST or a comparable rating service. Coverage must be renewed at the frequency determined by the insurance carrier(s), and must remain in effect for the full duration of the charter term.

The tort limit in the state of Indiana is \$5,000,000.

Revisions to Insurance Requirements

The ICSB will periodically review these insurance requirements to ensure they align with industry and state standards. Any changes to these requirements will be communicated to charter schools no later than May 1. Such changes will be required to be implemented by each charter school no later than July 1 of the same calendar year.

Minimum Insurance Coverage Requirements (per School)

Charter schools authorized by the ICSB must obtain the following minimum insurance coverage per school:

- Workers’ Compensation Liability: Workers’ compensation for all employees as required by Indiana law (see Indiana Code § 22-3).
- Commercial General Liability: Commercial general liability in an occurrence form, with limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury, personal injury and property damage liability coverage. Liability coverage shall include the following: all premises and operations, products/completed operations, independent contractors, separation of insureds, defense and contractual liability. Such comprehensive general liability insurance must expressly cover sexual abuse/molestation liability, and medical payments of \$5,000. ICSB and the Indiana Department of Education (“IDOE”) must each be named as an Additional Insured on a primary, non-contributory basis for any liability arising directly or

indirectly from all school business, including school-sanctioned functions that may take place outside of normal school hours. As noted above, a copy of the endorsement reflecting these additions must be submitted to ICSB.

- Educators' Legal Liability (including Directors' and Officers' and Employment Practices Liability): Liability insurance covering the school and its directors and officers from liability claims arising from wrongful acts, errors or omissions with regard to the conduct of their duties related to operation and management of the school with limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate.
- Automobile Liability: Required when any motor vehicle (whether owned, non-owned or hired) is used in connection with all school business, including school-sanctioned functions that may take place outside of normal school hours, with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage. NOTE: such liability insurance provides coverage for the school only. ICSB strongly encourages schools to establish a policy whereby any school employee who drives a personally-owned vehicle for school-related business (including field trips or conferences) must have personal auto coverage of at least \$100,000, and that all such employees must provide certificates of insurance to keep on file at the school.
- Umbrella/Excess Liability: Umbrella or Excess Liability Insurance with limits of not less than \$4,000,000 to provide additional limits for underlying general, automobile, employers' and educators' legal liability.
- Property Insurance: Property insurance from an A-rated insurance carrier for full Replacement Cost of property, whether by lease or other agreement, from physical loss or damage. Such insurance shall cover boiler and machinery exposures and business interruption/ extra expense losses. If the charter school is leasing its property, ICSB will accept insurance in the name of either the school or the property owner.
- Student Accident Coverage: All Indiana High School Athletic Association schools must include coverage for athletic participation.
- Employee Dishonesty Liability: Employee Dishonesty liability insurance in the amount of at least \$250,000 for all school employees. Note that the state of Indiana has specific fidelity bond requirements for certain school employees.
- Cyber Liability: Schools may wish to obtain cyber liability insurance, depending upon the school model.
- Foreign Travel/Field Trip Liability: Schools may wish to obtain liability insurance covering field trips and/or foreign travel, depending upon the school model.

Additional Requirements for Schools Contracting with an Educational Management Organization

Charter schools authorized by ICSB that enter into a management agreement with an Educational Management Organization (“EMO”) must factor in these additional requirements:

- The service agreement between the charter school and the EMO must require the school to be named as an Additional Insured on the EMO's liability policies.
- The EMO must obtain liability insurance coverage from an A-rated carrier naming ICSB and IDOE as Additional Insured on a primary, non-contributory basis. As noted above, a copy of the endorsement reflecting these additions must be submitted to ICSB.

Workers' compensation insurance that complies with state law must be carried by whichever entity employs the school's staff. If both the school and the EMO employ staff, then each entity must carry the appropriate insurance coverage for their respective employees. If the school does not employ any of the staff or administration and does not carry workers' compensation insurance, then the service agreement between the charter school and the EMO must include a provision to indemnify the school against any liability for workers' compensation claims.

VIII. Criminal History and Child Protection Index Checks Policy

Revised and Re-adopted May 2018

Introduction

Charter school board members, leadership, and staff members are charged with overseeing the public dollars and providing educational instruction to Indiana's students. Because of this responsibility, the Indiana General Assembly established standards for expanded criminal history and child protection index checks for board members and school staff members. The Indiana Charter School Board's ("ICSB") criminal history and child protection index checks policy is consistent with all applicable laws and the Charter Agreement ("Charter").

Nothing in this policy is not intended as legal advice. Laws and their applications in the school setting are ever-changing through legislation and case law. Charter schools and governing boards should not rely or act upon any information contained in this policy in completing expanded criminal history and child protection index checks without first seeking the advice of independent legal counsel.

Definitions

An expanded criminal history ("ECH") check consists of either:

- (1) a background check by a consumer reporting agency regulated under 15 U.S.C. 1681 et seq. that includes:
 - a. verification of the applicant's identity;
 - b. search of all names associated with the applicant;
 - c. search of the records maintained by all counties in Indiana in which the individual who is the subject of the background check resided;
 - d. search of the records maintained by all counties or similar governmental units in another state, if the individual who is the subject of the background check resided in another state;
 - e. search of United States district court records from the districts in which the applicant resided;
 - f. check of sex offender registries in every state or the national sex offender registry maintained by the United States Department of Justice; and
 - g. multistate criminal data base search; or
- (2) a national criminal history background check (performed by the Indiana State Police); and a check of: (i) sex offender registries in all fifty (50) states; or (ii) the national sex offender registry maintained by the United States Department of Justice.

The required check of sex offender registries in all fifty (50) states and the United State Department of Justice national sex offender registry may be completed online at the following website: <http://www.fbi.gov/hq/cid/cac/registry.htm>.

An expanded child protection index (“ECPI”) check consists of:

- (1) an inquiry with the department of child services as to whether an individual has been the subject of a substantiated report of child abuse or neglect and is listed in the child protection index established under Indiana Law;
- (2) an inquiry with the child welfare agency of each state in which the individual has resided since the individual became eighteen (18) years of age as to whether there are any substantiated reports that the individual has committed child abuse or neglect; and
- (3) for a certificated employee, an inquiry with the department of education or other entity that may issue a license to teach of each state in which the individual has resided since the individual became eighteen (18) years of age as to whether the individual has ever had a teaching license suspended or revoked.

The purpose of an ECPI check is to determine whether the Indiana Department of Child Services (“DCS”) has determined an allegation of child abuse or neglect to be substantiated. These checks are completed through DCS Central Office Background Check Unit. All requests for completion of this check must be submitted to the main DCS office in Indianapolis.

For more information on both ECH and ECPI, please review the Indiana Department of Education [ECH and ECPI FAQ](#), or visit the DCS website at: <https://www.in.gov/dcs/3761.htm>.

Background Check Policy

Every charter school is required to adopt and administer a policy requiring ECH and ECPI checks for any individual *who is likely to have direct, ongoing contact with children within the scope of the individuals' service* for the charter school.

The policy must include the following information:

- (1) Scope – ECH and ECPI checks must be completed for each member of a charter school’s Governing Board (including any member of a subcommittee or sub-board to which the Governing Board has delegated some authority over the operation of the charter school), as well as, prospective employees, employees of prospective contractors and sub-contractors, service providers, and school volunteers, who are likely to have direct, ongoing contact with children within the scope of the individuals' service.
- (2) Completion Dates

- a. ECH and ECPI checks must be completed for each Governing Board member prior to the opening date of the school.
 - b. ECH checks for individuals other than Governing Board members must be completed no later than thirty (30) days after the start date of the person's employment.
 - c. ECPI checks for individuals other than Governing Board members must be completed no later than sixty (60) days after the start date of the person's employment. This check must include inquiries into each state to which information is necessary to provide a complete expanded child protection check.
- (3) Frequency – ECH checks for qualifying individuals must be updated every five (5) years; ECPI checks may be updated every five (5) years.
- (4) Cost
- a. Costs associated with both ECH and ECPI checks are the responsibility of the individual unless the charter school specifies that it will cover these costs.
 - b. An applicant or an employee cannot be required by the charter school to obtain more than one ECH or ECPI within a 5 year period unless the charter schools believes the applicant or employee is the subject of a substantiated report of child abuse or neglect or has been charged with or convicted of a disqualifying crime.
- (5) Hiring Prohibitions
- a. A person convicted of any the following acts is prohibited from serving on a Governing Board, unless such prohibition is expressly waived by the ICSB Executive Director in writing:
 - i. an offense described in IC § 20-26-5-11 (generally serious crimes involving injury or death, but also sex and drug related offenses, and operating a motor vehicle while intoxicated); or
 - ii. any theft, misappropriation of funds, embezzlement, misrepresentation, or fraud,
 whether occurring in Indiana or elsewhere.
 - b. An individual who has been convicted of a felony that requires license revocation may not provide services of any kind to a charter school. This prohibition may be waived if the conviction has been reversed, vacated, or set aside on appeal.
 - c. An individual who is the subject of a substantiated report of child abuse or neglect is prohibited from providing services to a charter school in any capacity (including as a Governing Board member) unless such prohibition is expressly waived by the ICSB Executive Director in writing.
- (6) Employee References – Employment references, including the applicant's most recent employer, must be contacted prior to employment of the applicant.

Organizer Responsibility to the ICSB

Upon Charter approval, the organizer is responsible for providing evidence to ICSB of ECH and ECPI checks for all proposed Governing Board members and all staff hired prior to the first day of school operation. The evidence of completion must consist of a signed assurance that the organizer has completed ECH and ECPI checks on all Governing Board members, members of any sub-committee, school leadership, contractors and their employees likely to interact with students, and volunteers. As additional Board members are appointed and new staff is hired, the Organizer is responsible for conducting ECH and ECPI checks pursuant to the policies and processes discussed above. Evidence of the completion of these checks should be provided to ICSB upon completion.