**Section 650.70 Procedures for Closing a Charter School**

The governing body of a charter school that is closing, whether voluntarily or involuntarily, shall be subject to the requirements of this Section.

a) Required Notices

1) Except in the case of an emergency, when the health, safety or education of the charter school's students is at risk, any notice of a charter school's closing required under subsection (a)(2) shall be provided:

A) at least 60 days before the end of the school year in which the closure will take place for a charter school that is closing involuntarily (i.e., has had its charter revoked or not renewed); or

B) at least 60 days before the scheduled closing date for a charter school that is voluntarily closing.

2) The governing body or its designee shall provide notice of the charter school's closure:

A) to the charter school's employees, including the date of closure;

B) to the parents or guardians of the students attending the school and to the superintendent of each school district in which any of the charter school's students reside, including:

i) the date of closure; and

ii) the procedures the parents or guardians should follow in order to continue their children's education within the public schools;

C) to the entity that authorized the charter school and to the State Superintendent of Education, submitted by certified mail, return receipt requested, and including:

i) the date of closure;

ii) the name, address, and telephone number of the person who will be responsible for making arrangements for the closure; and

iii) copies of the notices required by subsection (a)(2).

b) Disposition of Assets

Any unspent public funds and other property and assets of the charter school shall be disposed of in the manner set forth in Section 27A-10.10 of the Code.

c) Student Records

The governing body or its designee shall transfer its students' permanent and temporary records, as defined in 23 Ill. Adm. Code 375.10, to the school's chartering entity or entities, as set forth in 23 Ill. Adm. Code 375.75, except that, if the State Board is the chartering entity, each student's permanent record shall be transferred to his or her district of residence.

d) Other Records

The governing body or its designee shall prepare all the school's records for transfer to the chartering entity or entities. These records shall include, but need not be limited to:

1) the minutes of the meetings of the governing body;

2) the school's policy manual;

3) the manuals setting forth the school's administrative, accounting, and personnel-related procedures;

4) all personnel files, including service records and information regarding teachers' licensure;

5) all teachers' schedules;

6) all inventory records for fixed assets (i.e., tangible property used in operating the charter school);

7) bank statements, including any canceled checks returned by the financial institution;

8) corporate credit card statements and invoices;

9) accounting reports, budgets, journals, ledgers, and registers;

10) annual financial reports prepared by independent auditors;

11) all agreements, contracts, and records of arrangements, including any exhibits, amendments, or other supporting documentation;

12) all Internal Revenue Service forms used and any supporting documentation;

13) all Teachers' Retirement System forms used and any supporting documentation;

14) purchase requisitions and purchase vouchers, including supporting documentation such as vendors' invoices, store receipts, or travel itineraries;

15) vouchers for reimbursement of staff expenses, including travel, with any supporting documentation; and

16) all electronic files containing financial records pertaining to the school.

e) Requirements for Inventory Records

For each fixed asset of the charter school (i.e., land, buildings, machinery, equipment, furniture, and fixtures), the inventory record shall include the following information:

1) a description of the fixed asset;

2) a manufacturer's serial number, model number, federal or national stock number, or other identifying number, if applicable;

3) an indication as to whether local, State, or federal funds were used to acquire the asset, along with information from which the percentage of State or federal participation can be calculated;

4) whether title to the asset vests in the charter school, an agency of State government, or the federal government;

5) the acquisition date (or the date received, if the asset was furnished by a donor) and cost;

6) the location and condition of the fixed asset and the date as of which this information was last reported (e.g., the date of the last physical inventory taken by representatives of the charter school);

7) information as to the ultimate disposition of the fixed asset, including the date of disposal and sale price, or, when the charter school has compensated a State or federal agency for its share in the asset, the method used to determine the current fair market value.

f) Final Financial Accountability

1) The governing body or its designee shall cause a final audit of the charter school to be performed by an independent auditor after all the school's assets have been liquidated and its accounts payable have been settled. The governing body or its designee shall provide a copy of the audit report to the chartering entity.

2) If the governing body has been unable to liquidate all the school's accounts payable, the governing body or its designee shall inform the chartering entity or entities of any outstanding obligations. The chartering entity shall not, however, be responsible for any obligation of a charter school not specified in the charter agreement.

3) The governing body shall designate an individual who will complete any expenditure reports or other fiscal documentation that may be required by the State Board of Education.

(Source: Amended at 44 Ill. Reg. 13375, effective July 28, 2020)