

STATE BOARD OF EDUCATION – TOPIC SUMMARY

Topic: Charter School Asset Distribution – REALMS Charter School Closure

Date: June 25, 2015

Staff/Office: Kate Pattison/Office of Educational Improvement and Innovation

Action Requested: Informational Only Adoption Later Adoption Adoption/Consent

Agenda

ISSUE BEFORE THE BOARD:

Approval for the assets from closing REALMS Charter School in Bend-La Pine School District to be disbursed to the Bend-La Pine School District.

BACKGROUND:

According to ORS 338.105, if a charter is terminated or a public charter school is dissolved, the assets of the public charter school that were purchased with public funds shall be given to the State Board of Education. The State Board of Education may disburse the assets of the public charter school to school districts or other public charter schools. However, according to Education Department General Administrative Regulations (EDGAR), any assets purchased with the federal grants must be distributed to other like federal grant sites, which would be charter schools.

REALMS Charter School will no longer be operating as a public charter school after June 2015 and will be converting to a Bend-La Pine School District public magnet school operated by the school district. The charter school governing board and the school district board have both requested for the assets of the public charter school to remain with the magnet school operated by the district since the educational program and students will largely remain the same. The Oregon Department of Education (ODE) received a list of all REALMS Charter School assets purchased with public funds.

POLICY QUESTIONS:

None

STAFF RECOMMENDATION:

The Deputy Superintendent and ODE staff recommend approval of the disbursement of all assets to the Bend-La Pine School District.

Attachments

List of REALMS Charter School assets purchased with public funds; Letter from REALMS; Letter from Bend-La Pine School District



June 8th, 2015

Oregon State Board of Education
255 Capitol St., NE
Salem, OR 97310

Re: REALMS Charter School Request for Transfer of Assets Pursuant to ORS 338.105(6)

Dear Oregon State Board of Education,

As of June 30th 2015, REALMS (Rimrock Expeditionary Alternative Learning Middle School) will terminate its charter with the Bend LaPine School District and transition from a charter school to a magnet school within the Bend LaPine School District. The school itself (name, campus, staff, students, mission etc.) will remain operational, however our status will change from charter to District magnet school. This transition is mutually beneficial and is happening as a result of unanimous votes by the school boards of both the District and REALMS.

ORS 338.105(6) states, "if a charter is terminated or a public charter school is dissolved: (a) the assets of the public charter school that were purchased with public funds shall be given to the State Board of Education. The State Board of Education may disburse the assets of the public charter school to school districts or other public charter schools."

Because this transition is a change in school status (charter to magnet) rather than a school closure, and because REALMS will continue its operations uninterrupted with the same staff, campus, same students and same mission, we request that the fixed assets associated with the REALMS' charter school operations remain in use at REALMS and become the property of the Bend LaPine School District rather than be disbursed to other Districts or charter schools as per ORS 338.105(6). Please see *Exhibit A – Fixed Assets Inventory* for a list of fixed assets currently in use at REALMS.

While the non-profit corporation known as REALMS is terminating its charter agreement with Bend LaPine School District and will no longer operate a charter school, the corporation will remain in tact and will continue to run its fundraising operations. Under amended articles of incorporation (name change) and new bylaws, the corporation and its existing board of directors will have the mission of fundraising in support of REALMS Magnet School within the Bend LaPine School District. It is our request that the liquid assets currently held in the reserve account and associated with the fundraising operations of the non profit corporation will remain with the corporation as it transitions from REALMS to *Friends of REALMS*. Once again, this aspect of the transition is mutually beneficial and has the unanimous approval from the school boards of both the Bend LaPine School District and REALMS.

Thank for your consideration of this request. If we can provide any additional information relating to this matter, we will be happy to do so.

Sincerely,

Roger White
Director, REALMS

TEACHING AND LEARNING SUPPORT CENTER
Education Center
520 NW Wall Street
Bend, OR 97701-2699
(541) 355-1020
FAX (541) 355-1030



June 4, 2015

Oregon State
Board of Education
255 Capitol St., NE
Salem, OR 97310

RE: REALMS Charter School
Request for transfer of assets pursuant to
ORS 338.105(6)

Dear Board Members:

REALMS Charter School will be ending its charter relationship with Bend-La Pine Schools as of June 30, 2015, and will serve as a magnet school within the district for the 2015-2016 academic school year. ORS 338.105(6) states, "if a charter is terminated or a public charter school is dissolved: (a) the assets of the public charter school that were purchased with public funds shall be given to the State Board of Education. The State Board of Education may disburse the assets of the public charter school to school districts or other public charter schools."

Given that REALMS will remain in existence as a magnet school for Bend-La Pine and will continue to provide educational services to its nearly 152 students, Bend-La Pine Schools respectfully requests that the Oregon State Board of Education allow REALMS to retain all of its assets (*See Exhibit "A"*) purchased with public funds upon commencement of its new magnet school status.

Thank for your consideration of this request. If we can provide any additional information relating to this matter, we will be happy to do so.

Sincerely,

A handwritten signature in black ink, appearing to read "Sal Cassaro", written over a horizontal line.

Sal Cassaro
Director of Secondary Programs

Enclosures

Exhibit A: REALMS Charter School Assets List

As of: June 8, 2015

Leasehold Improvements, Furniture and Fixtures for REALMS Campus: 63175 OB Riley Rd, Bend, OR 97701

Furniture

- 60 classroom tables
- 150 classroom chairs
- 12 teacher desks
- 15 file cabinets
- 3 desk chairs
- 6 bookshelves
- 7 outdoor benches

Structures

- 1 storage sheds (10x14)
- 1 storage sheds (5x7)
- 140 student lockers

Technology

- 26 iMac desktop computers
- 11 MacBook Pro Laptops
- 8 digital projectors
- 7 document cameras
- 6 digital cameras
- 35 iPads
- 2 laser printers
- 10 microscopes
- 1 sound recording kit
- 1 portable sound system
- 52 bluetooth keyboards
- 7 chromebooks
- 1 laptop cart
- 1 fax machine

Classroom & Office supplies

- misc meter sticks
- misc staplers
- misc hole punches
- misc timers
- misc binders
- misc pens
- misc other office supplies
- misc first aid supplies

Appliances

- 1 chest freezer
- 1 commercial freezer
- 1 commercial refrigerator
- 1 double commercial oven
- 1 residential refrigerator
- 1 mini refrigerator
- 5 microwaves
- 1 large coffee pot

Classroom Equipment

- 15 binoculars
- 3 tripods
- 4 sewing machines
- 15 ukuleles
- 3 guitars

Other classroom equipment

- misc art supplies and equipment: paints, trimmers, metal working tools etc.
- misc science equipment: beakers, balances, loupes, specimens, etc.
- PE equipment: balls, nets, sticks, bases, cones
- misc etc.
- kitchen equipment: bowls, serving utensils, plates, food storage containers
- misc etc.

REALMS Charter School Liquid Assets Report

As of: June 8, 2015

Washington Federal Reserve/Fundraising Account Balance as of June 11, 2015	\$240,096.00
Expected Fundraising Transfer After Final Closure Costs Including 2014-15 Audit	\$33,000.00
Projected Reserve Fund Balance for June 30th 2015	\$273,096.00