

## STATE BOARD OF EDUCATION – TOPIC SUMMARY

**Topic:** Charter School Asset Distribution – Corbett 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 Corbett Charter School in Corbett School District to be disbursed to Multisensory Learning Academy (MLA) first and then the Corbett 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. The Oregon Department of Education (ODE) received a list of all Corbett Charter School assets purchased with public funds and will ensure distribution according to the fund source.

The Corbett Charter School has made attempts to sell and/or distribute assets to MLA prior to the closure of the public charter school. MLA is a public charter school sponsored by the Reynolds School District and serves about 320 students. In the 2015-16 school year, MLA will be expanding its middle school and will increase its enrollment to about 600 students over the current contract. The assets from the Corbett Charter School would support public charter school students in this charter school. MLA is in good standing with the Reynolds School District.

The Corbett School District has expressed interest in the assets of the public charter school, however, some of the assets were purchased with federal grant funds and must go to other public charter schools. Additionally, the request does not fit the typical distribution model for public charter school assets. The State Board has typically distributed assets first to public charter schools currently operating and then school districts only when the closing public charter school is going to be fully incorporated into the district's offerings.

The Corbett Charter School has failed to provide a current balance sheet or other financial record to demonstrate other financial assets associated with the public charter school. The Department will make a recommendation regarding any financial assets at a future date.

ODE has a process to distribute the physical assets and will work with MLA and the Corbett School District to ensure efficient and timely distribution.

### POLICY QUESTIONS:

None

### STAFF RECOMMENDATION:

The Deputy Superintendent and ODE staff recommend approval of the disbursement of physical assets to MLA first and then to the Corbett School District. Any cash, liquid, other financial, or physical assets associated with the Corbett Charter School will be disbursed to the Department for future recommendation for disbursement by the State Board.

### Attachments

List of Corbett Charter School assets purchased with public funds.