

5204 Permanent School Closure Policy

1. Purpose:
 - a. In case of permanent school closure, Karl G. Maeser Preparatory Academy will follow guidelines from 53G-5-504 regarding Charter school closure.
2. Definitions:
 - a. "Receiving charter school" means a charter school that an authorizer permits to accept enrollment applications from students of a closing charter school.
3. Process:
 - a. Maeser may permanent close business in the following ways:
 - i. when a charter school authorizer approves a motion to terminate described in Section 53G-5-503;
 - ii. when the state board takes final action described in Section 53G-5-503; or
 - iii. when a charter school provides notice to the charter school's authorizer that the charter school is relinquishing the charter school's charter.
4. Decision process:
 - a. No later than 10 days after the day on which a decision to close a charter school is made, Maeser shall:
 - i. provide notice to the following, in writing, of the decision:
 1. if Maeser made the decision to close, Maeser's authorizer;
 2. if the state board did not make the decision to close, the state board;
 3. parents of students enrolled at Maeser;
 4. Maeser's creditors;
 5. Maeser's lease holders;
 6. Maeser's bond issuers;
 7. other entities that may have a claim to Maeser's assets;
 8. the school district in which Maeser is located and other charter schools located in that school district; and
 9. any other person that Maeser determines to be appropriate; and
 10. publish notice of the decision for the school district in which Maeser is located, as a class A notice under Section 63G-30-102, for at least 30 days.
 - b. The notice described shall include:
 - i. the proposed date of Maeser's school closure;
 - ii. Maeser's plans to help students identify and transition into a new school; and
 - iii. contact information for Maeser during the transition.
 - c. No later than 10 days after the day on which a decision to close Maeser is made, Maeser shall:
 - i. designate a custodian for the protection of student files and Maeser business records;
 - ii. designate a base of operation that will be maintained throughout Maeser's closing, including:
 1. an office;
 2. hours of operation;
 3. operational telephone service with voice messaging stating the hours of operation; and
 4. a designated individual to respond to questions or requests during the hours of operation;
 5. assure that Maeser will maintain private insurance coverage or risk management coverage for covered claims that arise before closure, throughout the transition to closure and for a period following closure of Maeser as specified by the Utah State Charter School Board authorizer;

6. assure that Maeser will complete by the set deadlines for all fiscal years in which funds are received or expended by Maeser a financial audit and any other procedure required by state board rule;
 7. inventory all assets of Maeser; and
 8. list all creditors of Maeser and specifically identify secured creditors and assets that are security interests.
 - d. Unless a different order is determined by a bankruptcy court under 11 U.S.C. Sec. 1001 et seq., Maeser shall distribute the assets of the closing Maeser in the following order:
 - i. Return assets or equipment acquired with federal funds to appropriate entity
 - ii. return assets donated by a private donor to the private donor if:
 1. the assets were donated for a specific purpose;
 2. the private donor restricted use of the assets to only that specific purpose; and
 3. Maeser has assets that have not been used for the specific purpose;
 - a. distribute assets to satisfy outstanding payroll obligations for Maeser employees;
 - b. distribute assets to Maeser creditors; and
 - c. distribute assets to satisfy any outstanding liability or obligation to the state board, state, or federal government.
 - iii. Maeser shall return any assets remaining, after all liabilities and obligations are paid or discharged to the Utah State Charter School Board.
 - iv. Upon receipt of the assets, The Utah State Charter School Board shall:
 1. liquidate assets at fair market value; or
 2. assign the assets to another public school.
 - e. The Utah State Charter School Board shall oversee liquidation of assets and payment of liabilities and obligations in accordance with this section, Sections 53F-9-307 and 53G-5-501, and state board rule.
5. Maeser shall:
 - a. comply with all state and federal reporting requirements; and
 - b. submit all documentation and complete all state and federal reports required by Utah State Charter School Board or the state board, including documents to verify Maeser's compliance with procedural requirements and satisfaction of all financial issues.
 6. When Maeser's financial affairs are closed out and dissolution is complete, the Utah State Charter School Board shall ensure that a final audit of Maeser is completed. The state board shall, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and after considering suggestions from Utah State Charter School Board, make rules that:
 - a. provide additional closure procedures for Maeser; and
 - b. establish a school closure process.
 7. Upon termination of Maeser's charter agreement:
 - a. notwithstanding provisions of Title 16, Chapter 6a, Part 14, Dissolution, the nonprofit corporation under which Maeser is organized and managed may be unilaterally dissolved by the authorizer; and
 - b. the net assets of Maeser shall revert to the Utah State Charter School Board.
 8. Maeser and the Utah State Charter School Board shall mutually agree in writing on the effective date and time of the dissolution. The effective date and time of dissolution may not exceed five years after the date of the termination of the charter agreement.
 9. Notwithstanding the provisions of Chapter 6, Part 5, Charter School Enrollment:
 - a. The Utah State Charter School Board may permit a specified number of students from Maeser to be enrolled in another charter school, if the receiving charter school:
 - i. is authorized by the same authorizer as Maeser; or

- ii. is authorized by a different authorizer and the authorizer of the receiving charter school approves the increase in enrollment; and
 - iii. agrees to accept enrollment applications from students of Maeser;
- b. a receiving charter school shall give new enrollment preference to applications from Maeser students in the first school year in which Maeser is not operational; and
- c. a receiving charter school's enrollment capacity is increased by the number of students enrolled in the receiving charter school from Maeser.
- d. A member of the governing board or staff of the receiving charter school that is also a member of the governing board of the receiving charter school's authorizer, shall recuse oneself from a decision regarding the enrollment of students from Maeser.

Approved 5.20.25

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