

Powers and tools the legislative committee proposes the SCSB could seek through legislation:

- The authority to remove and reconstitute a charter school's local board of directors – and have that action remain in place for up to a full year at the SCSB's discretion.
- The authority to replace a charter school's executive director or principal who may not be removed by a local board for a period of up to one year, at the discretion of the SCSB.
- The authority to appoint a neutral receiver in the event of school closure or the forced termination of a school.
- The ability to request the issuance of a subpoena that would allow the SCSB to request any and all financial, governance, or any other records held by a school authorized by the SCSB or any entity with which they are contracting services.
- The ability to request the issuance of a subpoena from entities contracted with charter schools or affiliated entities with charter schools authorized by the SCSB if such charters receive a notice of concern or are placed on warning or probation.
- The authority to access all data gathered by the USBE from any charter school authorized by the SCSB.
- Notification from the USBE about any concerns that USBE has related to a charter authorized by the SCSB.
- The statutory authority to direct a school to follow specific actions related to the inventory, liquidation, or distribution of assets and liabilities when a school is in the process of closure (this authority builds on existing SCSB authority, but existing statute is vague and without the ability to enforce).
- The requiring of external audits for all public schools in Utah to include an audit of restricted funds, especially special education funds, in order to provide an early warning to the USBE and SCSB of schools' improper expenditures or accounting of these restricted funds. Annual audits currently do **not** require auditing of these funds.
- The authority to request the appointment of a Receiver or Conservator from the court to manage assets and liabilities of a closing charter school.

Other Thoughts

- In addition to these legislative supports, the SCSB is seeking monies allocated by the legislature that would be dedicated to helping charter schools authorized by the SCSB to close – so that other public monies are not impacted. These monies would need to be an on-going line item, defined for specific closure services, and prohibited from being used to satisfy debts or liabilities incurred by a charter school. Current legislation considers charter schools as corporations entirely responsible for their actions, debts, and liabilities.
- Delineation of the SCSB as an independent authorizing board that receives its monies directly from the legislature to execute its statutory functions.
- The SCSB is seeking clarification on what "oversight" means in the charter statute that states: "the closing charter school's authorizer shall oversee liquidation of assets and payment of debt in accordance with state board rule."
- A requirement in statute that each local charter school board have a financial expert as a member of the Board of the local charter school; and that the SCSB may enforce this requirement, if necessary, by the appointment of such a financial expert to a charter school board with the authority to keep this individual on the board for up to a year, at the discretion of the SCSB.