

Attachment B.2.1

Appendix No. 2: IQS Ready to Open Check List

This document is used for the planning year for new schools. It is part of the contract with the school. This document is the oversight tool used by IQS to aid in determining whether the school will be permitted to open as scheduled. It is effective the date the contract becomes effective and continues through August 15 the year the school opens with students. It is the responsibility of the school to successfully address each of the items in this document. The school is requested to complete the "Timeline to complete" column within 30 days of signing the contract. As the "Items to be Addressed" are completed, the "Evidence is noted in the "Evidence Criteria Met" column and a copy of that evidence provided to IQS.

School Name				
School Phone Number				
School Contact				
Contact Email				
Contact Phone Number				
School Team (e.g. Board Members)				
Item to be Addressed	Timeline to Complete	Notes	Evidence/Location	Notes
I. Governance				
A. Appropriate filings with governmental agencies must be completed including:				
1. Articles of Incorporation as a non-profit under Chapter 317A are developed and filed with MN Sec. of State				
2. By-laws of the organization are developed and filed with the Articles of Incorporation				
3. File for tax exempt status with the IRS under section 501 (c) (3) (Note: Unless the expedited process is used this will take 4-6 months				
B. Complete contract with authorizer within 45 days of MDE approval of the school. Authorizer files with MDE.				
C. The Board				
1. Develops by laws of the Board which are approved by IQS, meet the following criteria and are filed with the Articles with the Secretary of State				
a. Meet IQS criteria in contract				
b. Include provisions of current law (may be in addition to what follows)				
c. Founding Board will:				
(1) Include at least five members who are not related				
(2) Have no conflicts of interest as defined in law				
(3) Include an attorney or the board has arranged a contract for legal counsel				
(4) Includes a person knowledgeable in finance or the board has arranged a contract for such				
(5) Criminal background checks have been conducted				
(6) Commitment to attend required training				
(7) Include at least one person with expertise in the education model of the school				
D. Include the provisions for the "Ongoing Board" including that it must:				
(1) Be elected before the school completes its 3rd year and elections must be held during the school year on a date when the school is in session				
(2) Include at least five members				
(3) Include at least one licensed teacher employed/contracted at the school				
(4) A parent/guardian of a student attending the school who is not an employee of the school				

(5) A community member who is not an employee nor has a child attending the school				
(6) Have the chief finance officer and chief administrator on the board only as ex-officio members				
(7) Not include contractors providing facilities, goods or Services				
(8) Provide that all staff members at the school including those under contract with a cooperative and all parents of students currently enrolled may vote in board elections				
(9) Provisions which inform eligible voters of elections at least 30 days before the election				
(10) Board meets must comply with chap 13D.				
(11) Provisions for board training as required by law				
(12) Modification of board by-laws can be made only by a majority vote of the board, by the licensed teachers employed (or in a cooperative) and the authorizer				

2. Board Meetings

a. Are held consistent with the by-laws				
b. Written agenda are prepared at least 3 days before meetings, are provided to members, are published on the website of the school are posted in the administrative office of the school and are provided to the authorizer.				
c. A record of the meetings are recorded and are on file for public inspection and provided to the authorizer				
d. Authorizer is provided a place on any agenda at the request of the authorizer				

3. Responsibilities of the board include at least the following:

a. Set the policy direction for the school consistent with the contract with the authorizer				
b. Develop an annual plan for the board with objectives				
c. Develop a set of objectives for the director or school leadership team				
d. At least annually, review the performance of the director or school leadership team				
e. Approve the "School Improvement Plan (SIP)" to address how the school will continue to improve including any areas identified by the authorizer and the state				
f. Periodically review the performance of the school consistent with plan				
g. Approve the annual budget including amendments				
h. Review monthly fiscal reports and approve payments				
i. Approve the employment of all staff or contracts with cooperatives for staffing				
j. Provide opportunities for the students, parents, staff and public to dialogue with the board				
k. Communicate with the school and the public regarding the schools performance				

4. Board Policy Manual

a. Board either adopts a policy manual (ie MSBA) or develops a policy manual with all required policies				
b. Required new policies are developed and adopted				

II. Finance				
A. Filings with state/federal organizations				
1. File for an Employee Identification number with the IRS as a tax exempt organization.				
2. File for a sales tax exempt number with the State				
3. Set up unemployment comp. option with the State				
4. Set up PERA with the State				
5. Set up TRA with the State				
6. Arrange for direct deposit (EFT Authorization) With the MN Office of Management & Budget				
7. File Form 990 for non-profit organizations as required by the IRS				
8. File Annual Report with the Attorney General's Office and the Sec. of State annually to maintain the non-profit status and tax exempt status				
9. Other				
B. Banking Institution				
1. Select a banking institution(s)				
2. Establish checking account with duplicate signatures				
3. Establish a line of credit for cash flow (optional)				
4. Other				
C. Obtain Insurance				
1. Liability which includes coverage for the authorizer and commissioner/MDE				
2. Errors and Omissions				
3. Surety bonds				
4. Property and casualty				
5. Workers compensation				
6. Health (if/when needed)				
7. Other				
D. Financial Management				
1. Develop/adopt a Business Administration Policy and procedures Manual including internal controls for items such as purchasing, bill payments, handling receipts, donations, petty cash, travel, record mgt systems, etc.				
2. Arrange for financial management services either with a contract for services or direct employment				
3. Purchase state approved finance (UFARS), student (MARSS) and staff (STARS) reporting				
4. Select an audit firm				
5. Prepare monthly financial reports for the board and Authorizer. Reports must meet accounting standards.				
6. Determine salary payments model (monthly, every two weeks, etc.)				
7. Review the budget as proposed in the approved application to determine whether it remains a reasonable projected budget.				
8. Finalize est. budget, cash flow and balance sheet projections for the opening of school year with students. Board approval needed. (This is part of "ready to open") This should include the following at a minimum:				
a. Assumptions used for both revenue and expenditures				
b. Cash flow for each federal grant beginning with The approval date (Note: federal grant revenue cannot be expended prior to the actual date of approval) and extend beyond the grant ending date until the final report is prepared and payment received.				

c. Cash flows for each budget year should:				
(1) Contain a separate section for each grant still outstanding				
(2) Begin with the start of the fiscal year				
(3) Continue 6 months beyond the end of the FY				
(4) Be projected using receipts and disbursements for each one half month				
b. MDE payment plan for the fiscal year				
c. Student enrollment based on numbers and weighting				
d. Allowances made in pupil unit projections to allow for mobility				
e. Budget reductions should be identified in the initial budget that do not meet original projections				
f. Additional special education expenditures and the additional time required to be reimbursed for excess costs through tuition billing				
g. Equipment, textbooks, materials, software and other major one-time costs should come from grants as much as possible				
h. Identify lease purchases agreements (this is not facilities)				
i. Include estimated lease costs/aid				
j. Identify the purpose of all anticipated borrowing and identify each anticipated loan source and amount				
k. Fund balance reserves should be restricted or designated by the board as necessary for operations, equipment, expenditures made necessary because of student growth, etc.				
l. Other				
E. State/federal applications				
1. Develop the state start-up grant application				
2. Develop other planning year grant applications				
3. Develop Title I application				
4. Develop special education application				
5. Other MDE reports including:				
a. MARSS estimates				
b. Lease aid approval				
c.				
d.				
III. Program Model				
A. Assure the state, authorizer and school standards will be met with the school model consistent with the approved application				
B. Make detailed arrangements for the needed instructional supplies and all equipment				
C. Make arrangements for the consultants to provide direction to the school model implementation				
D. Plan the staff development to assure staff are ready for students				
E. Other				
IV. Evaluation Design				
A. Detail the evaluation model based on the approved application				
B. Order all tools, tests, etc. necessary for the evaluation				
C. Make arrangements for the data analysis processes				
D. Other				

V. Operations of the School				
A. Public Information and student recruitment				
1. Develop website and full communications plan				
2. Develop detailed outreach plan for informing families of the school				
3. Set date for the final enrollment and the lottery process				
4. Submit enrollment projections to MDE as required				
5. If enrollment projections are less than anticipated, reduce the budget accordingly				
6. Other				
B. Personnel				
1. Board employs a director or other leadership person/team				
2. Special education leadership arrangements made				
3. Plan for compensation of staff developed				
4. Teacher job descriptions developed and recruitment Process initiated				
5. Process for selection of teachers developed				
6. Teachers employed/contract with coop development				
7. Criminal background checks made on all employees/contract				
8. Other				
C. Facilities				
1. Locate appropriate facilities for the school				
a. Have the facility inspected by local inspectors				
b. Have Fire Marshall inspection				
c. Assure lease is affordable				
d. Include termination and renewal language				
e. Appropriate insurance purchased				
f. If the lease is with a sectarian organization:				
(1) Students will be screened from any religious activities occurring on the property				
(2) The school will fully disclose the involvement of any school directors, administrators, or teachers in the sectarian organization				
(3) The school will fully disclose any telephone or fax numbers, email addresses, employer ID numbers, and employees shared with the sectarian organization				
(4) The school will fully identify and describe any activities by the sectarian organization in support of the school, including but not limited to fundraising, student recruitment, promotion, any claimed affiliation with the school and sponsorship of school programs and events.				
a. Other				
2. Prior to signing the lease				
a. Assure the accuracy of student projections and that Authorizer with approve "ready to open"				
b. Have lease reviewed by board legal counsel				
c. Have MDE review lease prior to signature				
d. Other				

D. Transportation				
1. Transportation plan is developed independently or with another entity				
2. If the district is to provide transportation, notice of such must be provided as early as possible				
3. Other				
E. Other				
1. Arrangements for food service are made				
2. Arrangements for extra-curricular activities are made				
3. Other				