

**Arizona State Board for Charter Schools
May 11, 2009
Executive Tower
1700 West Washington Street
Phoenix, Arizona 85007
Room B56**

MINUTES

Members Present-

Christy Farley- President
Norm Butler- Vice President
Mary Gifford- Superintendent Designee
Lynne Adams – Public Member
Ruby Alvarado-Hernandez – Public Member
Dana Krals – Public Member
Magdalena Verdugo – Charter School Operator (telephonically)

Members Absent

Meeting began at 9:36 a.m.

Agenda Item A: Pledge of Allegiance

Agenda Item B: Moment of Silence

Agenda Item C: Roll Call:

Heather Kelley called the roll and confirmed a quorum. Ms. Verdugo joined the meeting telephonically at 10:26 a.m.

Agenda Item D: Call to the Public

There were no Call to the Public requests.

Agenda Item E: Arizona Charter Schools Association Update

Arizona Charter Schools Association CEO Eileen Sigmund provided an update of the Association's activities. Ms. Sigmund reported on recent activities of the Association including a booklet of charter school students' work compiled in recognition of National Charter School Week. She told of the Association's partnership with Microsoft which provides discounts, training, and an innovative teacher's network. The Association has also developed an employee handbook with current state and federal employment laws that can be purchased by charter schools at cost. Ms. Sigmund reported on the continued work of the Association to correct the per-pupil funding disparities between districts and charters.

Agenda Item F: Superintendent's Report

Superintendent Designee Mary Gifford reported on the current status of the stimulus funds. Ms. Gifford provided an update on stabilization funding and reported that Superintendent Horne has put in a request for \$200 million. Ms. Gifford also reported that a student at New School for the Arts had the winning design for the annual bus wrap contest and that the student's design was recently unveiled and displayed on a promotional bus for Valley Metro.

Agenda Item G: Executive Director's Report

1. Status of charters with previous and/or on-going board actions: 4-Winds Academy, Inc., Ascending Roots

Scholastic & Athletic Premise, Inc., Bradley Academy of Excellence, Inc., CASY Country Day School, Dove Learning, Inc., E.A.G.L.E. Academy, Phoenix Advantage Charter School, Inc.

DeAnna Rowe provided an update of on-going Board actions and schools under compliance monitoring. Ms Rowe reported that the Superior Court considered the Plaintiffs' Notice of Withdrawal of the Appeal and dismissed the complaint filed by Ascending Roots Scholastic & Athletic Premise, Inc.

2. Legislative Update

DeAnna Rowe provided the Board with an updated legislative tracker and stated that staff continues to work with the legislative staff on early renewal. There is discussion of extending the contract beyond fifteen years, possibly for 20 years. Ms. Gifford stated that, in the context of the national conversation, it is important to remember that a charter can be revoked at any time. President Farley said that it would be helpful to have active legislative advisors on the Board.

3. Update on staff activities

DeAnna Rowe reported that 38 individuals from new and existing charters attended the two day New Operator Workshop hosted by staff. Each member of staff as well as representatives from the Arizona Department of Education and State Treasurer's Office presented information. Mike Dunbar has conducted two Prospective Applicant Workshops with 45 individuals attending the April 3rd workshop and 61 people attending the May 6th workshop. Heather Kelley presented on fingerprinting requirements at the Arizona Charter School Association Business Conference and Martha Morgan presented on governance and renewal at the Association's Board Governance Seminary. Ms. Morgan will be part of a panel at the National Charter Schools conference presenting on Arizona's work through the Building Charter School Quality grant. Ms. Rowe reported that staff has processed 176 amendments since January 1, 2009, with 119 of those processed since March 1, 2009. Ms. Rowe also reported that Andrea Esparza will be leaving the agency to return to school full-time. Ms. Rowe said she has requested an exception to the hiring freeze to fill the position being vacated by Andrea's departure.

Agenda Item H: Consent Agenda

1. American Charter Schools Foundation dba Ocotillo High School – Change number of instructional days
2. American Charter Schools Foundation dba Peoria Accelerated High School – Change number of instructional days
3. American Charter Schools Foundation dba Alta Vista High School – Change number of instructional days
4. AZ-Tec High School – Change number of instructional days
5. Ball Charter Schools (Dobson) – Change in mission
6. Ball Charter Schools (Hearn) – Change in mission
7. Champion Schools – Increase grades served
8. Charter for Excellence – Increase grades served
9. Edkey, Inc. – Sequoia Ranch School – Change number of instructional days
10. Intelli-School, Inc. – Change number of instructional days
11. Kestrel Schools, Inc. - Change number of instructional days
12. Little Lamb Community School – Increase grades served
13. Mohave Accelerated Learning Center – Decrease grades served
14. Northland Preparatory Academy – Change number of instructional days
15. Nosotros – Increase grades served
16. Paragon Education Corporation – Increase grades served
17. PAS Charter, Inc. – Change number of instructional days
18. RSD Charter School, Inc. – Change in mission
19. RSD Charter School, Inc. – Change in instructional assessment
20. Sage Academy, Inc. – Change in mission
21. San Tan Montessori School, Inc. – Change number of instructional days
22. San Tan Montessori School, Inc. – Change mission
23. Vision Charter School, Inc. – Change number of instructional days

MOTION

Lynne Adams made a motion to approve the consent agenda as presented. Mary Gifford seconded the motion.

Motion passed unanimously
(Absent: M. Verdugo)

Agenda Item I: 4-Winds Incorporated

Ms. Rowe presented the 4-Winds Incorporated Agreement. With the Agreement, 4-Winds Incorporated withdraws its motion for rehearing, review and/or modification filed on April 10, 2009, waives all rights to an administrative review or rehearing or to a judicial review, and agrees that the Board’s Order dated March 11, 2009 revoking the charter contract of 4-Winds Incorporated shall take effect on June 30, 2009. Leonidas Condos, representing 4-Winds Incorporated, informed the Board of 4-Winds Incorporated intent to withdraw the motion for rehearing. Christopher Munns from the Solicitor General’s Office provided legal guidance to the Board.

MOTION

Lynne Adams made a motion to approve the settlement agreement in the matter of 4-Winds Incorporated and 4-Winds Academy Charter School. Mary Gifford seconded the motion.

Motion passed unanimously
(Absent: M. Verdugo)

MOTION

Lynne Adams made a motion to grant the motion for reconsideration filed by 4-Winds Incorporated on April 10, 2009 to the limited extent to modify the Board’s Order dated March 11, 2009 to make the effective date of the revocation of the charter June 30, 2009. Mary Gifford seconded the motion.

Motion passed unanimously
(Absent: M. Verdugo)

Agenda Item J: Replication Application

Ozkur Yildiz, representing Sonoran Science Academy – Davis Monthan, presented information to the Board regarding the opportunity for Sonoran Science Academy – Davis Monthan to open a charter school on the Davis Monthan Air Force Base to serve grades 6-8.

MOTION

Lynne Adams made a motion to accept the application and grant the replication charter for Sonoran Science Academy – Davis Monthan. Mary Gifford seconded the motion.

Motion passed unanimously
(Absent: M. Verdugo)

Ozkur Yildiz, representing Sonoran Science Academy – Phoenix Metro, presented information to the Board regarding the opportunity for Sonoran Science Academy – Phoenix Metro to open a charter school serving students in the greater Phoenix area to serve grades K-12.

MOTION

Lynne Adams made a motion to accept the application and grant the replication charter for Sonoran Science Academy – Phoenix Metro. Mary Gifford seconded the motion.

Motion passed unanimously
(Absent: M. Verdugo)

Agenda Item K: Transfer/Assignment of Existing School Site(s) to Separate Charter Contracts

Michele Kaye, representing Apex Public Charter Academy, addressed the Board outlining the desire to transfer three existing school sites: Arts Academy of Mesa, Liberty Arts Academy and Gilbert Arts Academy to their own charter.

MOTION

Lynne Adams made a motion to grant the transfer application for Arts Academy of Mesa Public Elementary School, Liberty

Arts Academy Public Charter Elementary School and Gilbert Arts Academy Public Charter Elementary School. Mary Gifford seconded the motion.

Motion passed unanimously
(Absent: M. Verdugo)

Ronda Owens, representing Skyline Gila River School, LLC, provided the Board with information on the current progress of Skyline District 5 in their first year of operation under Skyline Schools, Inc. Skyline Gila River School, LLC would like to transfer Skyline District 5 to its own charter.

MOTION

Lynne Adams made a motion to grant the transfer application for Skyline Gila River School. Dana Krals seconded the motion.

Motion passed unanimously
(Absent: M. Verdugo)

Evelyn Taylor, representing CAFA, Inc., provided the Board an overview of the request for CAFA, Inc. to transfer two school sites, Learning Foundation and Performing Arts Alta Mesa and Learning Foundation and Performing Arts Gilbert, to their own charters.

MOTION

Lynne Adams made a motion to grant the transfer application to CAFA, Inc. Learning Foundation and Performing Arts Alta Mesa and CAFA, Inc. Learning Foundation and Performing Arts Gilbert. Ruby Alvarado Hernandez seconded the motion.

Motion passed unanimously
(Absent: M. Verdugo)

Binky Jones, representing Ombudsman Educational Services, provided the Board with information regarding their request to transfer four schools to a new charter. The four sites requesting to be transferred are Ombudsman Charter East, Ombudsman Charter East II, Ombudsman Central and Ombudsman Valencia.

MOTION

Lynne Adams made a motion to grant the transfer application to Ombudsman Educational Services. Mary Gifford seconded the motion.

Motion passed unanimously
(Absent: M. Verdugo)

Ozkur Yildiz, representing Daisy Education Corporation, presented to the Board the plans of Daisy Education Corporation, a State Board of Education sponsored charter, to transfer an existing school site, Paragon Science Academy Elementary School, to its own charter sponsored by the State Board for Charter Schools. If the transfer is granted, the school site name will change to Sonoran Science Academy – Ahwatukee.

MOTION

Lynne Adams made a motion to grant the transfer application to Daisy Education Corporation. Dana Krals seconded the motion.

Motion passed unanimously
(Absent: M. Verdugo)

Magdalena Verdugo, representing CPLC Community Schools, formerly known as Calli Ollin Academy, addressed the Board telephonically. Ms. Verdugo outlined CPLC Community School's desire to transfer Calli Ollin Academy to its own charter. Ms. Verdugo explained that Calli Ollin Academy did not make AYP due to the percent of students tested. If the transfer is granted, the school site name will change to Hiaki High School.

MOTION

Lynne Adams made a motion to grant the transfer application to CPLC Community Schools. Dan Krals seconded the motion.

Motion passed unanimously
(Recused: M. Verdugo)

Agenda Item L: Transfer/Assignment of Charter Contract

Kathy Tolman, representing Legacy Schools, provided the Board with information regarding the request of Legacy Schools to transfer sponsors from the State Board of Education to the State Board for Charter Schools. Ms. Tolman also indicated that it was their intent to request an exception to the USFRCS and Procurement Laws for the purpose of easier accounting and procurement practices if the transfer was approved. Ms. Tolman further stated that she understands that the Board staff is already providing the oversight responsibilities for the State Board of Education-sponsored charters and feels that it would be easier to have a contract with the Board providing those oversight services.

MOTION

Norm Butler made a motion to approve the transfer application for Legacy Schools to serve only grades K-8. The school may submit grade level amendment requests to add grade levels in the future. Mary Gifford seconded the motion.

Motion passed unanimously

Dottie Tucker, representing Ventana Academic Charter School, provided the Board with an overview of the current status of Ventana Academy. Ms. Tucker explained that as part of the transfer request to change sponsors from the State Board of Education to the State Board for Charter Schools, Ventana Academic Charter School used this opportunity to review their charter and amend those areas that had changed and needed to be updated. A new mission had been approved and adopted by Ventana Academic Charter School and the charter holder name had been updated to reflect Ventana Academic School.

MOTION

Lynne Adams made a motion to grant the transfer application for Ventana Academic School to include the change in the charter holder name and mission. Mary Gifford seconded the motion.

Motion passed unanimously

Agenda Item M: Compliance Matters

Joe Gargiul, principal for Sierra Summit Academy, provided the Board with an update of the actions the charter is taking to be compliant with Classroom Site Funds requirements including depositing 5% of monthly State equalization into an account in order to return the Classroom Site Funds to be used for their intended purpose. President Farley confirmed that Mr. Gargiul had read the letter submitted by the charter representative. Mr. Gargiul confirmed that he had read it and agreed with its contents.

MOTION

Lynne Adams made a motion to find Sierra Summit Academy in noncompliance with state law for failure to comply with Classroom Site Fund requirements found in A.R.S. §15-977 and approve withholding 10% of Sierra Summit Academy's monthly State aid apportionment until the charter holder can demonstrate compliance with Classroom Site Fund requirements either through the fiscal year 2009 audit or through Agreed Upon Procedures established by Board staff and direct staff to conduct a full compliance monitoring of the school prior to the end of the school year. Ruby Alvarado Hernandez seconded the motion. Upon further discussion, Lynne Adams amended the motion to withholding 10% of Sierra Summit Academy's monthly State aid apportionment until the charter holder can demonstrate compliance with Classroom Site Fund requirements either through the fiscal year 2009 audit or through Agreed Upon Procedures established by Board staff and direct staff to conduct a full compliance monitoring of the school prior to the end of the fiscal year. Ruby Alvarado Hernandez seconded the amended motion.

Motion passed unanimously

President Farley asked if there was a representative of Discovery Plus Academy present. There was no response.

MOTION

Lynne Adams made a motion to find Discovery Plus Academy in noncompliance with state law for failure to comply with Classroom Site Fund requirements found in A.R.S. §15-977 and approve withholding 10% of Discovery Plus Academy's monthly State aid apportionment until the charter holder can demonstrate compliance with Classroom Site Fund requirements either through the fiscal year 2009 audit or through Agreed Upon Procedures established by Board staff. Dana Krals seconded the motion.

Motion passed unanimously

Agenda Item N: Board Comments

Mary Gifford recognized that while the Board must take disciplinary actions on noncompliant charters, they do not represent the norm. Charters that stay in compliance and are doing what they are supposed to be doing represent the norm for the charters in the state.

Agenda Item O: Minutes

MOTION

Norm Butler made a motion to approve the minutes of April 13, 2009 as revised. Mary Gifford seconded the motion.

Motion passed unanimously

Agenda Item P: Adjournment

The meeting adjourned at approximately 10:54 a.m.

Signature

Date