

Charter Holder Status Amendment Request: Change in Ownership

Purpose

The *Charter Holder Status Amendment Request* is used to change the ownership of the requesting charter holder to an existing charter holder with a different dashboard. A change in ownership of the charter holder is not effective until approved by the Board.

*Before submitting this request, **ensure the charter holder is in compliance per the Board's policy**. If a charter holder is not in compliance, the request may be deemed incomplete and the non-compliance may be recorded on the charter holder's operational dashboard.*

Determining Eligibility

To determine whether your charter is eligible to change the ownership of the charter holder to an existing charter holder with a different dashboard, only the receiving charter holder (the existing charter holder with a different dashboard) must meet eligibility criteria based on its performance on the academic, financial, and operational dashboards.

Both charter holders must be in compliance per the Board's policy.

The criteria are found in the "Eligibility Criteria" in [The Guide](#).

Board Consideration

A substantively complete amendment request submitted by a charter holder to change the ownership that meets the eligibility criteria shall be placed on the agenda of a regular Board meeting.

If the requesting charter holder and the receiving charter holder are eligible to submit a request to change the ownership, they must maintain eligibility prior to Board consideration. For information on maintaining eligibility, review the section on "Maintaining Eligibility" in [The Guide](#).

A finding that either charter holder is not in compliance in one or more operational areas may result in a delay in consideration of the request.

Instructions for the Request

Work through the form, filling in all required fields and uploads (denoted by "*"). Follow the instructions for each upload field. Be sure to save your work, even if you aren't prepared to submit your form, so that you do not lose your data.

If you have additional questions about the type of change requested or the requirements of your request, contact your Education Program Manager ("EPM") for assistance. To find your EPM, view the filterable list of [EPM assignments](#).

Form Fields for Change in ownership

| Field | Instructions |
|---|--|
| Type of Status Change* | Check the box “Change in ownership of the Charter Holder”. |
| Change From* | Describe the current status of the Charter Holder, in relation to what is proposed to change with this request. |
| Change To* | Describe the status that will be in effect should this request be approved. |
| Will the charter contract be held by the entity of the receiving charter holder?* | <p>Select the button that accurately represents the entity that will hold the charter contract:</p> <p><input type="checkbox"/> Yes, the entity of the receiving charter holder will hold the charter contract.</p> <p><input type="checkbox"/> No, a new entity will hold the charter contract and will have the characteristics of an Associated Charter.</p> |
| <p>New Officers, Directors, Members, or Partners (repeat this process for each individual added)</p> | <p>Click the blue “Add Officer, Director, Member, or Partner” link. When the window pops up, enter the last 4 Digits of the new individual’s Social Security Number and the individual’s Date of Birth. Then, click the “Add Officer, Director, Member, or Partner” button.</p> <p>The window will expand. When that happens, complete the following:</p> <p>First Name: Enter the new individual’s first name.</p> <p>Last Name: Enter the new individual’s last name.</p> <p>Email Address: Enter the new individual’s email address.</p> <p>Fingerprint Clearance Card: Click “Choose File” and upload a PDF of a copy of the front and back of the individual’s valid FCC issued by DPS.</p> <p>Affidavit: Click “Choose File” and upload a PDF of a completed, signed, and notarized Affidavit, Disclosure, and Consent for Background and Credit Check form.</p> <p>Résumé: Click “Choose File” and upload a PDF of the individual’s résumé.</p> |
| Remove Officers, Directors, Members, or Partners | <p>From the “Choose a Member” drop down, select the member to be removed.</p> <p>Click the “Remove Member” button.</p> |

Attachments

For further information regarding specific documentation requirements, see [The Guide \(Attachment Guidelines\)](#) and the checklist below.

Board Minutes or Board Resolutions*

Board minutes or board resolutions approving or addressing the change in ownership of the charter holder.

Narrative*

Upload a narrative that responds to the following prompts:

- Describe the rationale for the request.
- Discuss the operational capacity of the receiving charter holder to open and operate schools successfully, including:
 - Lessons learned from past expansion; and
 - A plan to avoid or minimize challenges for the schools acquired through the change in ownership.
- Summarize the plan of the receiving charter holder to support the schools being transferred from the requesting charter holder as it pertains to:
 - The quality and long-term academic success of the schools;
 - The quality and long-term operational success of the schools; and
 - The financial viability of the schools.

Copy of Amendment to the Articles of Incorporation*

Provide a copy of the Amendment to the Articles of Incorporation that demonstrates the change. This must be an amendment on file with the Arizona Corporation Commission.

Declaration of Payment, Benefit, or Consideration*

Provide information regarding any payment, benefit, or consideration received or to be received by any party in the transition.

Additional Supporting Materials*

Upload additional supporting materials, as identified below.

| Change in the Ownership | |
|--|---|
| The requesting charter holder transfers the charter contract to an existing charter holder with a different dashboard. | |
| <input type="checkbox"/> | Indicate on the Form whether the non-profit corporation is an Arizona Not for Profit or a 501(c)3. If the corporation is, or will be, a 501(c)3 please submit a copy of the approval letter from the I.R.S. or a copy of the application. |
| <input type="checkbox"/> | Copy of the minutes/resolutions of the existing board authorizing the assignment of the charter contract to the board of the receiving charter holder. |
| <input type="checkbox"/> | Copy of the minutes/resolutions of the entity of the receiving charter holder accepting the assignment of the charter contract from the existing board. |
| <input type="checkbox"/> | Articles of Incorporation of the entity of the receiving charter holder (stamped and filed with the Arizona Corporation Commission) |
| <input type="checkbox"/> | Bylaws of the entity of the receiving charter holder |

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|--------------------------|--|
| <input type="checkbox"/> | Governance Structure narrative includes: <ul style="list-style-type: none">a. Description of and differentiation between the school's governing body and the corporate board of the receiving charter holderb. Organizational Flow Chart |
| <input type="checkbox"/> | Transfer agreement between the two entities that at a minimum includes discussion of the: <ul style="list-style-type: none">a. Transfer of student recordsb. Transfer of, or access to, appropriate financial records from the prior year(s)c. Responsibilities for Assets & Liabilities of the for-profit corporation |
| <input type="checkbox"/> | If the receiving charter holder does not meet the Board's financial performance expectations it is required to submit a Financial Performance Response as described in Appendix B of the Financial Performance Framework Guidance (FPFG) |

Remember that all prior year academic, financial, and operational performance will transfer with the new corporate structure.

Administrative Completeness Review

An administratively complete request to change the ownership of the charter holder includes:

- Board Minutes
 - Approval to change in ownership has been approved or addressed by the charter holder (approving board);
 - Approving board aligns with what is currently on file with ASBCS; and
 - Board minutes comply with Open Meeting Law (if applicable); or
 - Board resolution if the approving board is not subject to Open Meeting Law.
- Narrative, addressing all prompts
- Copy of Amendment to the Articles of Incorporation
- Declaration of Payment, Benefit, or Consideration
- Fingerprint Clearance Card, notarized Affidavit, and resume for each new Officer, Director, Member, or Partner
- Additional Supporting Materials
- All required forms are submitted on the approved ASBCS template