

Arizona State Board for Charter Schools
October 17, 2022
Virtual Board Meeting
https://www.youtube.com/channel/UckPbhlJyH-7N_Pw1hpl3nSA
Virtual Meeting
SUMMARY

<p>Members Present- Mary Ellen Lee – President, and Public Member (Virtual) Hans-Dieter Klose – Vice President, and Public Member who is a Resident of an Indian Reservation (Virtual) Carol Crockett – Public Member Resides in a Neighborhood that Qualifies for National School Lunch Program (Virtual) Christina Foster – Public Member (Virtual) Jessica Montierth – Charter Operator Member (Virtual) Carlos Ruiz – Public Member (Virtual) Timothy Stratton – Business Member (Virtual) James Swanson – Business Member (Virtual)</p> <p>Meeting began at 09:04 a.m.</p>	<p>Members Absent- Kathy Hoffman - Superintendent of Public Instruction Stephanie Bahr – Teacher Member Eli Chmouni – Public Member</p>
<p>Agenda Item A. Pledge of Allegiance (Youtube at 21:41)</p>	<p>Aarron Loya called the roll and confirmed a quorum.</p>
<p>Agenda Item B. Moment of Silence</p>	
<p>Agenda Item C. Roll Call (Youtube at 23:06)</p>	
<p>Agenda Item D. Board Member Recognition (Youtube at 1:45:29)</p>	<p style="text-align: center;">Motion</p> <p>Mary Ellen Lee made the following motion: I move to move Agenda Item D to be discussed with Agenda Item O. Hans-Dieter Klose seconded the motion.</p> <p style="text-align: center;">Motion Passed (Aye: Klose, Crockett, Foster, Montierth, Ruiz, Stratton, Swanson, Lee)</p> <p>Recorded comments are available.</p>
<p>Agenda Item E. Superintendent's Report</p>	<p>No Superintendent's Report was made.</p>
<p>Agenda Item F. Executive Director's Report (Youtube at 25:19)</p> <ol style="list-style-type: none"> 1. Status of Board actions and legal matters 2. Update on approved amendments and termination agreements 3. Presentation by Board staff on updates on staff work and responsibilities <ol style="list-style-type: none"> a. Update on ASBCS Online Replacement b. Information on Auditor General Performance Report 	<p>Recorded comments are available.</p>

<p>Agenda Item G. Call to the Public (Youtube at 46:10)</p>	<p>No public comments were made.</p>
<p>Agenda Item H. Implementation of NAEA Exemplary Practice Presentation (Youtube at 46:10)</p>	<p>Recorded comments are available.</p>
<p>Agenda Item I. Consent Agenda (Youtube at 1:10:51)</p> <ol style="list-style-type: none"> 1. Approval of Meeting Minutes from the Charter Board’s meeting on August 8, 2022. 2. Arizona State Board for Charter Schools 2023 Calendar and Meeting Schedule 3. Charter Amendments—Consideration to approve amendments from the following charter holder that met the Board’s staff recommendation criteria: <ol style="list-style-type: none"> a. Arizona Agribusiness & Equine Center, INC (Entity ID 91131)–New School <ol style="list-style-type: none"> i. Executive Summary ii. Amendment Request and Support Materials iii. Financial and Operational Performance iv. ADE School Report Card Data 	<p style="text-align: center;">Agenda Item I.</p> <p>Timothy Stratton made the following motion: I move to approve the consent agenda as presented. Hans-Dieter Klose seconded the motion.</p> <p style="text-align: center;">Motion Passed (Aye: Klose, Crockett, Foster, Montierth, Ruiz, Stratton, Swanson, Lee)</p>
<p>Agenda Item J. Charter Replication Application – Discussion and possible action on a replication application from Heritage Academy, Inc. (Youtube at 1:11:39)</p> <ol style="list-style-type: none"> a) Executive Summary b) Replication Application and Support Materials c) Financial and Operational Performance d) ADE School Report Card Data 	<p>Recorded comments are available.</p> <p style="text-align: center;">Agenda Item J.</p> <p>Hans-Dieter Klose made the following motion: I move, based on the information contained in the Board materials and presented today, to approve the request to grant the replication charter requested by Heritage Academy, Inc. in the name of Paul Revere Academy, Inc. to establish the school Paul Revere Academy, serving grades 9-12 with an enrollment cap of 135. Timothy Stratton seconded the motion.</p> <p style="text-align: center;">Motion Passed (Aye: Klose, Crockett, Foster, Montierth, Ruiz, Stratton, Swanson, Lee)</p>
<p>Agenda Item K. Compliance Matters – Discussion and Possible Action (Youtube at 1:19:42)</p> <ol style="list-style-type: none"> 1. The Board will receive information to determine whether evidence exists that Legacy Traditional School – East Mesa is in breach of one or more provisions of its charter contract and/or state law regarding its failure to meet the minimum financial performance expectations set forth in the Board’s Financial Performance Framework after having been identified as “On Probation” and assigned to Probation Risk Level One. 	<p>Recorded comments are available.</p> <p style="text-align: center;">Agenda Item K.</p> <p>Hans-Dieter Klose made the following motion: I move to find that Legacy Traditional School – East Mesa, hereinafter referred to in this motion as the “Charter Holder”, has failed to meet the financial performance expectations set forth in the Board’s financial performance framework and has violated its charter contract and state law. These failures and violations</p>

<p>If the Board determines that a breach may have occurred, the Board may take action as it deems appropriate or necessary under state law, which may include issuing a notice of intent to revoke the charter or entering into a consent agreement to bring the charter holder into compliance. A.R.S. § 15-183(I)(3), A.A.C. R7-5-402(I)(1).</p>	<p>provide a sufficient basis to issue a Notice of Intent to Revoke the Charter Holder’s contract.</p> <p>However, the Board is authorized to exercise its legal discretion with regard to actions taken against a charter holder that is not in compliance with its charter and state law. In an effort to bring the Charter Holder into compliance, the Board moves to enter into a consent agreement that includes the same terms and provisions as the Financial Performance Consent Agreement previously adopted by the Board. If the Charter Holder chooses not to accept the terms of the Financial Performance Consent Agreement or an executed copy of the consent agreement, along with governing board minutes approving the consent agreement, are not received by Board staff, then it is the Board’s decision that the Charter Holder be placed on a future agenda for a motion to issue a Notice of Intent to Revoke the Charter Holder’s charter contract.</p> <p>Timothy Stratton Seconded the motion</p> <p>James Swanson explained their vote. Mary Ellen Lee explained their vote.</p> <p style="text-align: center;">Motion Passed (Aye: Klose, Crockett, Foster, Montierth, Ruiz, Stratton, Swanson, Lee)</p>
<p>Agenda Item L. Annual Charter Audits (Youtube at 1:29:41)</p> <p>Presentation and discussion on the performance of the Board’s portfolio of charter holders, including the financial and operational performance identified through the fiscal year 2021 audits.</p>	<p>Recorded comments are available</p>
<p>Agenda Item M. Financial Framework Rulemaking (Youtube at 1:38:52)</p> <p>Discussion, possible action and the second opportunity for public comment on the approval to finalize the proposed changes to the Financial Performance Framework rules found in the Notice of Final Exempt Rulemaking and discussion and possible action on the proposed rules’ effect on charter holders in financial intervention during the fiscal year 2021 audit intervention cycle.</p>	<p>Recorded comments are available</p> <p style="text-align: center;">Agenda Item M.</p> <p>Hans-Dieter Klose made the following motion: I move to approve the Notice of Final Exempt Rulemaking found in the Board materials and presented today and direct staff to update paragraph 11 of the rulemaking notice’s Preamble to reflect today’s second opportunity for public comment and to file the Notice of Final Exempt Rulemaking with the Secretary of State’s office for publication. To ensure its timely publication, the Board authorizes staff to make any technical or formatting changes to the rulemaking notice as required by the Secretary of State’s office. I also direct staff to make</p>

	<p>necessary changes to other relevant documents to reflect the Board’s action at this meeting. I further move, based on the information contained in the Board materials and presented today, to grant staff’s request for a waiver, as provided for in the Notice of Final Exempt Rulemaking, and waive the requirement for staff to visit the schools operated by charter holders identified as “On Probation” based on the fiscal year 2021 audit intervention cycle. Timothy Stratton Seconded the motion.</p> <p style="text-align: center;">Motion Passed (Aye: Klose, Crockett, Foster, Montierth, Ruiz, Stratton, Swanson, Lee)</p>
<p>Agenda Item N. Financial Framework Visit Requirements (Youtube at 1:43:38)</p> <p>Discussion, possible action and the second opportunity for public comment on the adoption of the proposed changes to the visits required under the Financial Performance Framework.</p>	<p>Recorded comments are available</p> <p style="text-align: center;">Agenda Item N.</p> <p>Hans-Dieter Klose made the following motion: I move to adopt the changes to the visits required under the Board’s Financial Performance Framework, as found in the Board materials and presented today, and direct staff to make necessary changes to other relevant documents to reflect the Board’s action at this meeting. Timothy Stratton seconded the motion.</p> <p style="text-align: center;">Motion Passed (Aye: Klose, Crockett, Foster, Montierth, Ruiz, Stratton, Swanson, Lee)</p>
<p>Agenda Item O. Election of Officers to Determine Interim President and Vice President (Youtube at 1:51:49)</p>	<p>Recorded comments are available</p> <p style="text-align: center;">Agenda Item O.</p> <p>Mary Ellen Lee made the following motion: I nominate Vice President Hans-Dieter Klose as Interim President and member Jessica Montierth as Interim Vice President. Timothy Stratton seconded the motion.</p> <p style="text-align: center;">Motion Passed (Aye: Crockett, Foster, Ruiz, Stratton, Swanson, Lee) (Abstain: Klose, Montierth)</p>
<p>Agenda Item P. Summary of Current Events, Future Meeting Dates and Items for Future Agendas (Youtube at 1:54:00)</p>	<p>Recorded comments available</p>
<p>Agenda Item Q. Adjournment</p>	
<p>The meeting adjourned at approximately 10:33 a.m.</p>	