

**Arizona State Board for Charter Schools**  
**April 10, 2023**  
**Virtual Board Meeting**  
[https://www.youtube.com/channel/UckPbhIjyH-7N\\_Pw1hpl3nSA](https://www.youtube.com/channel/UckPbhIjyH-7N_Pw1hpl3nSA)  
**Virtual Meeting**  
**SUMMARY**

<p><b><u>Members Present-</u></b>  <b>Hans-Dieter Klose</b> – President, and Public Member who is a Resident of an Indian Reservation (Virtual)  <b>Jessica Montierth</b> – Vice President, and Charter Operator Member (Virtual)  <b>Wendy Miller</b> - Superintendent of Public Instruction Designee  <b>Stephanie Bahr</b> – Teacher Member (Virtual)  <b>Carol Crockett</b> – Public Member Resides in a Neighborhood that Qualifies for National School Lunch Program (Virtual)(Joined during Item G.)  <b>Christina Foster</b> – Public Member (Virtual)  <b>Carlos Ruiz</b> – Public Member (Virtual)  <b>Timothy Stratton</b> – Business Member (Virtual)</p> <p>Meeting began at 09:00 a.m.</p>	<p><b><u>Members Absent-</u></b>  <b>Eli Chmouni</b> – Public Member  <b>James Swanson</b> – Business Member</p>
<p><b>Agenda Item A. Pledge of Allegiance</b>  <a href="#">(Youtube at 9:37)</a></p>	<p>Aarron Loya called the roll and confirmed a quorum.</p>
<p><b>Agenda Item B. Moment of Silence</b></p>	<p>Recorded comments are available.</p>
<p><b>Agenda Item C. Roll Call</b> <a href="#">(Youtube at 9:58)</a></p>	<p style="text-align: center;"><b>Motion to Remove Agenda Item N.</b></p> <p>Jessica Montierth made the following motion: <i>I move that Agenda Item N be postponed indefinitely.</i>  Timothy Stratton Seconded the Motion.</p> <p style="text-align: center;"><b>Motion Passed</b></p> <p style="text-align: center;"><b>(Aye: Montierth, Miller, Bahr, Foster, Ruiz, Stratton, Klose)</b></p>
<p><b>Agenda Item D. Superintendent's Report</b> <a href="#">(Youtube at 12:33)</a></p>	<p>Recorded comments are available.</p>
<p><b>Agenda Item E. Executive Director's Report</b>  <a href="#">(Youtube at 17:52)</a></p>	<p>Recorded comments are available.</p>
<p><b>Agenda Item F. Call to the Public</b></p>	<p>No public comments were received.</p>

<p><b>Agenda Item G. <a href="#">Presentation by the Arizona Alternative Education Consortium</a> (<a href="#">Youtube at 21:11</a>)</b></p>	<p>Recorded Comments are available.</p>
<p><b>Agenda Item H. Consent Agenda (<a href="#">Youtube at 42:36</a>)</b></p> <p>All items on this agenda will be considered by a single motion with no discussion, unless requested otherwise by a board member.</p> <ol style="list-style-type: none"> <li>1. Approval of Meeting Minutes from the <a href="#">Charter Board’s meeting on March 13, 2023</a>.</li> <li>2. <b>Charter Amendment</b>—Consideration to approve an Enrollment Cap Amendment Request from Edison Project, a charter holder that meets the staff recommendation criteria. <ol style="list-style-type: none"> <li>a. <a href="#">Executive Summary</a></li> <li>b. <a href="#">Amendment Request and Support Materials</a></li> <li>c. <a href="#">Financial and Operational Performance Dashboards</a></li> <li>d. <a href="#">ADE School Report Card Data</a></li> </ol> </li> </ol>	<p style="text-align: center;"><b>Agenda Item H.</b></p> <p>Timothy Stratton made the following motion: <i>I move to approve the consent agenda as presented.</i>  Jessica Montierth seconded the motion.</p> <p style="text-align: center;"><b>Motion Passed</b></p> <p style="text-align: center;"><b>(Aye: Montierth, Miller, Bahr, Crockett, Foster, Ruiz, Stratton, Klose)</b></p>
<p><b>Agenda Item I. Charter Amendments</b>— Discussion and possible action on an amendment request from the following charter holders:  (<a href="#">Youtube at 43:27</a>)</p> <ol style="list-style-type: none"> <li>1. <b>American Leadership Academy, Inc.—New School</b> <ol style="list-style-type: none"> <li>a. <a href="#">Executive Summary</a></li> <li>b. <a href="#">Amendment Request and Support Materials</a></li> <li>c. <a href="#">Financial and Operational Performance Dashboards</a></li> <li>d. <a href="#">ADE School Report Card Data</a></li> <li>e. <a href="#">Other Available Options</a></li> <li>f. <a href="#">Comparison to Proposed Location</a></li> </ol> </li> </ol>	<p style="text-align: center;"><b>Agenda Item I.(1). &amp; Agenda Item I.(2).</b></p> <p>Jessica Montierth made the following motion: <i>I move, based on the information contained in the Board materials and presented today, to deny the request to add American Leadership Academy – Apache Junction and American Leadership Academy - Surprise to the contract of American Leadership Academy, Inc. for the reason that: I would like to see some more information regarding the restructuring prior to moving forward with additional schools.</i>  Timothy Stratton seconded the motion.</p> <p style="text-align: center;"><b>Motion Failed</b></p> <p style="text-align: center;"><b>(Aye: Montierth, Foster, Ruiz, Stratton)</b>  <b>(Nay: Miller, Bahr, Crockett, Klose)</b></p>

2. **American Leadership Academy, Inc.—New School**

- a. [Executive Summary](#)
- b. [Amendment Request and Support Materials](#)
- c. [Financial and Operational Performance Dashboards](#)
- d. [ADE School Report Card Data](#)
- e. [Other Available Options](#)
- f. [Comparison to Proposed Location](#)

3. **Kaizen Education Foundation dba El Dorado High School—Enrollment Cap Increase**

- a. [Executive Summary](#)
- b. [Amendment Request and Support Materials](#)
- c. [Financial and Operational Performance Dashboards](#)
- d. [ADE School Report Card Data](#)
- e. [Associated Schools and Charters](#)

4. **Morrison Education Group, Inc. (Entity ID 90192)—Charter Holder Status Change in Ownership**

- a. [Executive Summary](#)
- b. [Amendment Request and Support Materials](#)
- c. [Financial and Operational Performance Dashboards](#)
- d. [ADE School Report Card Data](#)

**Agenda Item I.(1). & Agenda Item I.(2).**

Wendy Miller made the following motion: *I move, based on the information contained in the Board materials and presented today, to approve the request to add American Leadership Academy – Apache Junction and American Leadership Academy - Surprise to the contract of American Leadership Academy, Inc., effective Fiscal Year 2025.*

Carlos Ruiz seconded the motion.

**Motion Passed**

**(Aye: Miller, Bahr, Crockett, Ruiz, Klose)  
(Nay: Montierth, Foster, Stratton)**

**Agenda Item I.(3).**

Jessica Montierth made the following motion: *I move, based on the information contained in the Board materials and presented today, to approve the request to increase the enrollment cap from 750 to 900 effective in Fiscal Year 2024 for the contract of Kaizen Education Foundation dba El Dorado High School.*

Timothy Stratton seconded the motion.

**Motion Passed**

**(Aye: Montierth, Miller, Bahr, Crockett, Foster, Ruiz, Stratton, Klose)**

**Agenda Item I.(4).**

Jessica Montierth made the following motion: *I move, based on the information contained in the Board materials and presented today, to approve the Charter Holder Status Amendment Request to change the ownership of the contract held by Morrison Education Group, Inc. Entity ID 90192 to Sun Valley Academy - South Mountain, Inc.*

Timothy Stratton seconded the motion.

**Motion Passed**

**(Aye: Montierth, Miller, Bahr, Crockett, Foster, Ruiz, Stratton, Klose)**

**Agenda Item I.(5).**

<p>5. <b>Morrison Education Group, Inc. (Entity ID 1001157)—Charter Holder Status Change in Ownership</b></p> <ul style="list-style-type: none"> <li>a. <a href="#">Executive Summary</a></li> <li>b. <a href="#">Amendment Request and Support Materials</a></li> <li>c. <a href="#">Financial and Operational Performance Dashboards</a></li> <li>d. <a href="#">ADE School Report Card Data</a></li> </ul>	<p>Jessica Montierth made the following motion: <i>I move, based on the information contained in the Board materials and presented today, to approve the Charter Holder Status Amendment Request to change the ownership of the contract held by Morrison Education Group, Inc. Entity ID 1001157 to Sun Valley Academy - Avondale, Inc.</i></p> <p>Timothy Stratton seconded the motion.</p> <p style="text-align: center;"><b>Motion Passed</b></p> <p style="text-align: center;"><b>(Aye: Montierth, Miller, Bahr, Crockett, Foster, Ruiz, Stratton, Klose)</b></p>
<p><b>Agenda Item J. Charter Renewal</b> - Discussion and possible action on the renewal application packages from the following Charter Holder: <a href="#">(Youtube at 1:25:02)</a></p> <ul style="list-style-type: none"> <li>1. <b>Educational Options Foundation</b> <ul style="list-style-type: none"> <li>a. <a href="#">Executive Summary</a></li> <li>b. <a href="#">Renewal Application Package</a></li> <li>c. <a href="#">Renewal Summary Review</a></li> <li>d. <a href="#">ADE School Report Card Data</a></li> <li>e. <a href="#">Renewal Preliminary Report</a></li> </ul> </li>   <li>2. <b>Morrison Education Group, Inc. (Entity ID 90192)</b> <ul style="list-style-type: none"> <li>a. <a href="#">Executive Summary</a></li> <li>b. <a href="#">Renewal Application Package</a></li> <li>c. <a href="#">Renewal Summary Review</a></li> <li>d. <a href="#">ADE School Report Card Data</a></li> <li>e. <a href="#">Renewal Final Report</a></li> </ul> </li> </ul>	<p style="text-align: center;"><b>Agenda Item J.(1).</b></p> <p>Jessica Montierth made the following motion: <i>I move, based on a review of the information provided by the representatives of the Charter Holder and the contents of the application package, to extend the Charter Holder's current contract through June 30, 2024, approve the charter renewal application package and grant a renewal contract to Educational Options Foundation, effective July 1, 2024.</i></p> <p>Timothy Stratton seconded the motion.</p> <p style="text-align: center;"><b>Motion Passed</b></p> <p style="text-align: center;"><b>(Aye: Montierth, Miller, Bahr, Crockett, Foster, Ruiz, Stratton, Klose)</b></p> <p style="text-align: center;"><b>Agenda Item J.(2).</b></p> <p>Jessica Montierth made the following motion: <i>I move, based on a review of the information provided by the representatives of the Charter Holder and the contents of the application package, to extend the Charter Holder's current contract through June 30, 2024, approve the charter renewal application package and grant a renewal contract to Morrison Education Group, Inc. (Entity ID 90192), effective July 1, 2024.</i></p> <p>Timothy Stratton seconded the motion.</p> <p style="text-align: center;"><b>Motion Passed</b></p> <p style="text-align: center;"><b>(Aye: Montierth, Miller, Bahr, Crockett, Foster, Ruiz, Stratton, Klose)</b></p>

<p><b>Agenda Item K. School-Specific Academic Goals -</b> Discussion and possible action on the proposed school-specific academic goals to be used for the evaluation of the following charter holder. (<a href="#">Youtube at 1:39:07</a>)</p> <ol style="list-style-type: none"> <li><a href="#">Tucson Preparatory School</a></li> </ol>	<p style="text-align: center;"><b>Agenda Item K.(1)</b></p> <p>Jessica Montierth made the following motion: <i>I move to approve the school-specific academic goals proposed by Tucson Preparatory School. as presented and direct staff to incorporate these goals into the contract for the 2021-2022, 2022-2023, and 2023-2024 fiscal years and use them for the school, Tucson Preparatory School as measures on the school’s Academic Performance Dashboards in place of the A-F Letter Grade Accountability measure for the specified fiscal years.</i></p> <p>Carol Crockett seconded the motion.</p> <p style="text-align: center;"><b>Motion Passed</b></p> <p style="text-align: center;"><b>(Aye: Montierth, Miller, Bahr, Crockett, Foster, Ruiz, Stratton, Klose)</b></p>
<p><b>Agenda Item L. Compliance Matters—Discussion and possible action (<a href="#">Youtube at 1:45:01</a>)</b></p> <ol style="list-style-type: none"> <li>The Board will receive information to determine whether evidence exists that <a href="#">New Horizon School for the Performing Arts</a> is in breach of one or more provisions of its charter contract and/or federal, state, or local laws regarding its failure to timely submit the fiscal year 2022 audit in accordance with A.R.S. §§ 15-183(E) and 15-914. 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(l)(3), A.A.C. R7-5-601(D).</li> </ol>	<p style="text-align: center;"><b>Agenda Item L.(1).</b></p> <p>Jessica Montierth made the following motion: <i>I move to find New Horizon School for the Performing Arts, hereinafter referred to in this motion as the “Charter Holder”, has failed to timely submit its fiscal year 2022 audit and, therefore, has violated its charter contract and state law. These failures and violations provide a sufficient basis to issue a Notice of Intent to Revoke the Charter Holder’s charter contract. 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, other obligations to the Board, and state and federal law. In an effort to bring the Charter Holder into compliance, the Board directs staff to work with the legal counsel to develop a consent agreement that addresses the Charter Holder’s noncompliance with the Board’s audit submission requirements, its charter contract, and state law and includes the audit-related provisions identified in the meeting materials. If the Charter Holder chooses not to accept the terms of the consent agreement, 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 for the reasons already specified.</i></p> <p>Carol Crockett seconded the motion.</p> <p style="text-align: center;"><b>Motion Passed</b></p>

<p>2. The Board will receive information to determine whether <a href="#">evidence exists that the charter holders listed below</a> are in breach of one or more provisions of their charter contracts and/or federal, state, or local laws regarding their failure to timely submit complete fiscal year 2022 single audits in accordance with A.R.S. §§ 15-183(E) and 15-914.</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 withholding up to 10% of the monthly apportionment of state aid and requiring a corrective action plan. A.R.S. § 15-185(H), A.A.C. R7-5-601(D).</p> <ul style="list-style-type: none"> <li>a. Maricopa County Community College District on behalf of Gateway Early College High School (submitted incomplete audit reporting package)</li>   <li>b. Maricopa County Community College District on behalf of Phoenix Preparatory Academy (submitted incomplete audit reporting package)</li> </ul>	<p style="text-align: center;"><b>(Aye: Montierth, Miller, Bahr, Crockett, Foster, Ruiz, Stratton, Klose)</b></p> <p style="text-align: center;"><b>Agenda Item L.(2).a</b></p> <p>Timothy Stratton recused himself.</p> <p>Jessica Montierth made the following motion: <i>I move to find that Maricopa County Community College District on behalf of Gateway Early College High School is not in compliance with state law and its charter contract due to its failure to submit a complete Fiscal Year 2022 audit and to approve withholding 10% of the charter holder's monthly state aid apportionment until a complete Fiscal Year 2022 audit is submitted to the Board.</i></p> <p>Carol Crockett seconded the motion.</p> <p style="text-align: center;"><b>Motion Passed</b></p> <p style="text-align: center;"><b>(Aye: Montierth, Miller, Bahr, Crockett, Foster, Ruiz, Klose)</b> <b>(Recused: Stratton)</b></p> <p style="text-align: center;"><b>Agenda Item L.(2).b</b></p> <p>Timothy Stratton recused himself. The reason for recusal is included in the recording.</p> <p>Jessica Montierth made the following motion: <i>I move to find that Maricopa County Community College District on behalf of Phoenix Preparatory Academy is not in compliance with state law and its charter contract due to its failure to submit a complete Fiscal Year 2022 audit and to approve withholding 10% of the charter holder's monthly state aid apportionment until a complete Fiscal Year 2022 audit is submitted to the Board.</i></p> <p>Carol Crockett seconded the motion.</p> <p style="text-align: center;"><b>Motion Passed</b></p> <p style="text-align: center;"><b>(Aye: Montierth, Miller, Bahr, Crockett, Foster, Ruiz, Klose)</b> <b>(Recused: Stratton)</b></p>
<p><b>Agenda Item M. Discussion and possible action regarding Consent Agreements previously adopted by</b></p>	<p style="text-align: center;"><b>Executive Session</b></p>

<p><b>the Board, including the Letter Grade Consent Agreement, Assessment Consent Agreement, Financial Performance Consent Agreement and Operational Consent Agreement (<a href="#">Youtube at 3:12:58</a>)</b></p> <p>Pursuant to A.R.S. § 38-431.03(A)(3) and (4), the Board may vote to convene in executive session, which will not be open to the public, for discussion and consultation with the Board’s attorneys for legal advice concerning this item or to consider its position and instruct its attorneys regarding the Board’s position in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation.</p>	<p>Jessica Montierth made the following motion: <i>I move to enter into executive session concerning Items M and O for the purpose of receiving legal advice from the Board’s attorney and for discussion or consultation with its attorney in order to consider the Board’s position and instruct its attorneys regarding pending or contemplated litigation or settlement discussions.</i> Carol Crockett seconded the motion.</p> <p style="text-align: center;"><b>Motion Passed</b></p> <p style="text-align: center;"><b>(Aye: Montierth, Miller, Bahr, Crockett, Foster, Ruiz, Stratton, Klose)</b></p> <p>Upon leaving executive session, Aarron Loya called the roll and confirmed a quorum.</p> <p style="text-align: center;"><b>Agenda Item M.</b></p> <p>Jessica Montierth made the following motion: <i>I move to authorize board staff and legal counsel to proceed regarding consent agreements as instructed by the board during executive session.</i> Carol Crockett seconded the motion.</p> <p style="text-align: center;"><b>Motion Passed</b></p> <p style="text-align: center;"><b>(Aye: Montierth, Miller, Bahr, Crockett, Foster, Ruiz, Stratton, Klose)</b></p>
<p><b>Agenda Item N. Discussion and possible action regarding Pinnacle Education Kino’s Notice of Intent to Revoke.</b></p> <p>Pursuant to A.R.S. § 38-431.03(A)(3) and (4), the Board may vote to convene in executive session, which will not be open to the public, for discussion and consultation with the Board’s attorneys for legal advice concerning this item or to consider its position and instruct its attorneys regarding the Board’s position in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation.</p>	<p>Item was removed from agenda and was not considered.</p>
<p><b>Agenda Item O. Discussion and possible action regarding Arizona Education Solutions’ Enrollment Cap Request. (<a href="#">Youtube at 3:12:00</a>)</b></p> <p>Pursuant to A.R.S. § 38-431.03(A)(3) and (4), the Board may vote to convene in executive session, which will not be open to the public, for discussion and consultation with the Board’s attorneys for legal advice concerning this item or to consider its position and</p>	<p style="text-align: center;"><b>Agenda Item O.</b></p> <p>Jessica Montierth made the following motion: <i>I move to approve the agreement discussed in executive session to resolve Arizona Education Solutions appeal and authorize the board president to execute the agreement on behalf of the board.</i> Stephanie Bahr seconded the motion.</p>

<p>instruct its attorneys regarding the Board’s position in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation.</p>	<p>Note: Votes for items M and O were taken out of order. The vote for Item O was made before Item M upon returning from Executive Session.</p> <p style="text-align: center;"><b>Motion Passed</b></p> <p style="text-align: center;"><b>(Aye: Montierth, Miller, Bahr, Crockett, Foster, Ruiz, Stratton, Klose)</b></p>
<p><b>Agenda Item P. Summary of Current Events, Future Meeting Dates and Items for Future Agendas</b> <b><a href="#">(Youtube at 3:13:50)</a></b></p>	<p>Recorded comments available</p>
<p><b>Agenda Item Q. Adjournment</b></p>	
<p>The meeting adjourned at approximately 12:07 p.m.</p>	