
AGENDA ITEM: Proposed Policy Changes

Issue

The board initiated rulemaking concerning new charters at the October 15, 2013 meeting. The proposed revisions included revisions to earlier adopted Board policies and practices concerning extensions and suspensions. In order to anticipate the revisions to the rules, which will not be effective until April at the earliest, Board staff has prepared revisions to the Board Policy Statements to be effectively immediately. These revised policy statements are included as an appendix to this report.

Background

In April 2004, the Board adopted a "Good Cause Extension" policy. The policy, as revised in September 2010, provides for an extension of the time to execute a charter contract or to open a charter school if the charter holder can demonstrate good cause. In November 2004, the Board adopted a "Temporary Suspension" policy. The policy provides for the temporary suspension of a charter school's operation based upon a case-by-case consideration by the Board.

The revisions to the rules adopted by the Board at the October 15, 2013 meeting include a "good cause extension" procedure that provides applicants who are unable to timely execute their charter an extension if they are able to demonstrate good cause for the delay. The revisions also include a "good cause suspension" procedure that provides charter holders who are unable to open their charter school and begin providing educational instruction a temporary suspension if they are able to demonstrate good cause for the delay.

These two procedures deal separately with the two elements of the original "Good Cause Extension" policy based on the different position of the parties in each circumstance. Additionally, the new "good cause suspension" procedure eliminates the old "Temporary Suspension" policy, specifically making charter holders who have already begun providing educational instruction under the charter ineligible for a suspension. The revisions to the rules also provide greater clarity to the applicant or charter holder by providing specific requirements for the written requests that must be submitted in each case and transparency concerning the information the Board will consider in making its decision.

These revisions to the rules have been reflected in revisions to the Board's old "Good Cause Extension" and "Temporary Suspension" policy statements and are included as an appendix to this report.

Board Options

Option 1: The Board may vote to adopt revisions to the policy statements concerning Good Cause Extension of a Charter Contract and Temporary Suspension of Charter School Operation. Staff recommends the following language: I move that the board adopt the revisions to the policy statements concerning Good Cause Extension of a Charter Contract and Temporary Suspension of Charter School Operation presented.

Option 2: The Board may vote to adopt revisions to the policy statements concerning Good Cause Extension of a Charter Contract and Temporary Suspension of Charter School Operation by adopting the policy statements with modifications. The following language is provided for your consideration: I move that the board adopt revisions to the policy statements concerning Good Cause Extension of a Charter Contract and Temporary Suspension of Charter School Operation presented to the Board today and found in the materials for today's Board meeting with the modifications discussed (may require specific references depending upon whether clarification of discussion is needed).

Appendix

Good Cause Extension to Execute a Charter Policy Statement

The Applicant Agreement Information cover page of the application acknowledges that if approved to operate a charter school, the applicant must execute a charter contract with the Arizona State Board for Charter Schools (“Board”) within twelve months after the Board decides to grant the charter. A charter that is not timely signed expires.

Before the expiration of the Board's decision to grant a new charter, an applicant who has not yet executed the charter may submit a written one-time request for a good cause extension to execute the charter.

Submission Requirements

The written request for a good cause extension of the execution must include:

1. An explanation with evidence of why the applicant is unable to implement the plans contained in their application package and execute the charter within the allotted 12 months;
2. An explanation of the applicant's new timeline for implementing the plans contained in the application package, and why the timeline is viable and adequate for achieving the proposed start-up date of the school and appropriate for operating a charter school in accordance with the performance frameworks adopted by the Board and requirements of statute and rule; and
3. Clear and specific action steps with target completion dates that will enable the applicant to implement the plans contained in the application package in accordance with the timeline in item 2 above.

Board Consideration

The Board may grant a one-time good cause extension of the execution of a charter if an applicant demonstrates good cause. When considering a request for good cause extension of the execution of the charter contract, the Board shall consider:

1. The timeliness of the submission of the request and the proposed extension date;
2. The viability of the applicant's new timeline for implementing the plans contained in the application package;
3. Whether the new timeline provided by the applicant is adequate to begin providing educational instruction as required and complies with the plans contained in the application package;
4. Unforeseen circumstances affecting the applicant's ability to execute the charter within the allotted 12 months;
5. Whether there have been changes in the principals of the applicant; and
6. The status of compliance with all applicable federal, State and local laws, and with all of the terms of a charter.

If the Board grants a one-time good cause extension of the execution of the charter, the Board shall specify the date by which the applicant shall execute the charter and begin the first day of operation of

the charter school based on the timeline provided by the applicant and the requirements in Rule.¹ If the applicant does not execute the charter by the specified date, the Board's decision to grant the charter shall expire.

The Board shall not grant more than one good cause extension to any applicant for the same charter.

Historical Note:

Effective: April 12, 2004

Board Approval Date: April 12, 2004

Revised: December 9, 2013

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¹ As provided in pending revisions to Rule including the provision that, "A charter holder who is granted a good cause extension to execute a charter shall begin providing educational instruction no later than the third fiscal year after the Board's decision to grant the charter."

Good Cause Suspension of a Charter Policy Statement

The Applicant Agreement Information cover page of the application acknowledges that if approved to operate a charter school, the charter holder must begin providing educational instruction no later than the second fiscal year after the Board's decision to grant the charter. Failure to begin providing educational instruction accordingly may result in the revocation of the charter.

Before the first day of the fiscal year that a charter holder must begin providing educational instruction, an eligible charter holder of a not-yet-operational charter may submit to the Board a written request for a good cause suspension of a charter.

Eligibility Requirements:

A charter holder is eligible to apply for a good cause suspension of a charter if:

1. The charter holder has not been granted a good cause extension to execute a charter, and
2. The charter holder has not begun providing educational instruction under the charter, and
3. The charter holder has not received or has returned state equalization and other state or federal funding for which provision of instruction is a requirement of receipt.

Submission Requirements

The written request for a good cause suspension of a charter must include:

1. An explanation with evidence of why the charter holder is unable to implement the plans contained in their application package and begin providing educational instruction within the allotted time;
2. An explanation of the charter holder's new timeline for implementing the plans contained in the application package, and why the timeline is viable and adequate for achieving the proposed start-up date of the school and appropriate for operating a charter school in accordance with the performance frameworks adopted by the Board and requirements of statute and rule; and
3. Clear and specific action steps with target completion dates that will enable the charter holder to implement the plans contained in the application package in accordance with the timeline in item 2 above.

Board Consideration

The Board may grant a one-time good cause suspension of a charter if a charter holder demonstrates good cause. When considering a request for good cause extension of the execution of the charter contract, the Board shall consider:

1. The timeliness of the submission of the request and the proposed extension date;
2. The viability of the charter holder's new timeline for implementing the plans contained in the application package;
3. Whether the new timeline provided by the charter holder is adequate to begin providing educational instruction as required and complies with the plans contained in the application package;
4. Unforeseen circumstances affecting the charter holder's ability to begin providing educational instruction within the allotted time;
5. Whether there have been changes in the principals of the charter holder; and

6. The status of compliance with all applicable federal, State and local laws, and with all of the terms of the charter.

If the Board grants a one-time good cause extension of the execution of the charter, the Board will specify the date by which the charter holder shall begin providing educational instruction based on the timeline provided by the charter holder and the requirements in Rule.¹ A charter holder who is granted a one-time good cause suspension of a charter may execute and submit an amendment to the charter indicating a new effective date that conforms to the date on which the charter holder will begin providing educational instruction. If the charter holder does not begin providing educational instruction by the date specified by the Board, the Board will issue a notice of intent to revoke the charter.

A charter holder who is granted a one-time good cause suspension of a charter must not apply to receive any state or federal funding for which provision of instruction is a requirement of receipt until the fiscal year in which the charter holder plans to begin providing educational instruction and must return any such funding received prior to that fiscal year.

The Board shall not grant more than one good cause suspension of a charter to any charter holder for the same charter.

Historical Note:

Effective: November 15, 2004

Board Approval Date: November 15, 2004

Revised: December 9, 2013

¹ As provided in pending revisions to Rule including the provision that, "A charter holder who is granted a good cause suspension of a charter shall begin providing educational instruction no later than the third fiscal year after the Board's decision to grant the charter."