BCS Exhibit 2-A

AGENDA ITEM: Consideration of Revocation or Restoration of a Charter of a Charter Holder Operating an F School

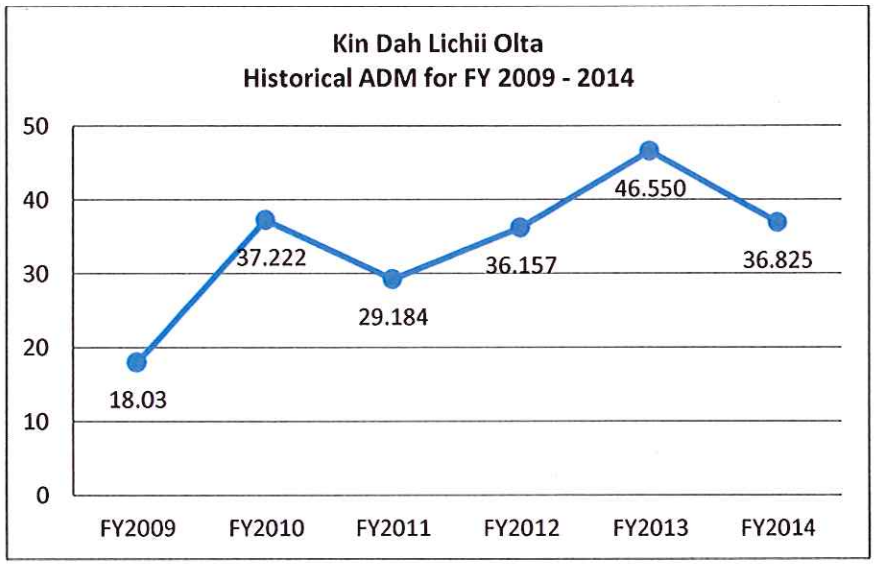
Issue

Kin Dah Lichii Olta (school) operated by Kin Dah Lichii Olta was assigned an F letter grade by the Arizona Department of Education based on its academic performance during the 2012-2013 school year. The Board must determine whether to restore the charter to acceptable performance or to revoke the charter.

Background Information

In FY2011, Kin Dah Lichii Olta (school) received an achievement profile of Underperforming. For FY2012, the school received a letter grade of D. In FY2013, the school was assigned an F letter grade. On September 9, 2013, the Arizona Department of Education (ADE) notified the Board of the F letter grade status (failing level of performance) of Kin Dah Lichii Olta (school) (portfolio: b. Letter Grade Notification). Pursuant to A.R.S. § 15-241(U), if a charter school is assigned a letter grade of F the ADE shall immediately notify the charter school's sponsor. The charter school's sponsor shall either take action to restore the charter school to acceptable performance or revoke the charter school's charter.

Kin Dah Lichii Olta operates one school serving grades 7-8. The graph below shows the charter holder's actual 100th day average daily membership (ADM) for fiscal years 2009-2013 and 40th day ADM for 2014. The charter has an enrollment cap of 38.



Kin Dah Lichii Olta was a small school in FY12 (dashboard contains three years of pooled data). With the State Board of Education's and the Board's changes to the small school definition, the school is now classified as a traditional school for FY13 (dashboard represents academic data for FY13). A dashboard representation of Kin Dah Lichii Olta's academic outcomes, based upon the indicators and measures adopted by the Board, is provided below.

Kin Dah Lichii Olta

		2012 Small Elementary School (7-8)			2013 Traditional Elementary School (7-8)		
1. Growth		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
1a. SGP	Math	82.5	100	25	39	50	25
	Reading	42	50	25	23	25	25
1b. SGP Bottom 25%	Math	NR	0	0	NR	0	0
	Reading	NR	0	0	NR	0	0
2. Proficiency		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
2a. Percent Passing	Math	35 / 43	50	7.5	22 / 61.1	50	7.5
	Reading	44 / 69.2	50	7.5	27 / 77.7	50	7.5
2b. Composite School Comparison	Math	-6.5	50	7.5	-35.4	25	7.5
	Reading	-25.1	25	7.5	-49.1	25	7.5
2c. Subgroup ELL	Math	NR	0	0	NR	0	0
	Reading	NR	0	0	NR	0	0
2c. Subgroup FRL	Math	35 / 36.4	50	7.5	22 / 50.5	50	7.5
	Reading	44 / 64.8	50	7.5	27 / 71	50	7.5
2c. Subgroup SPED	Math	NR	0	0	NR	0	0
	Reading	NR	0	0	NR	0	0
3. State Accountability		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
3a. State Accountability		D	25	5	F	25	5
Overall Rating		Overall Rating			Overall Rating		
Scoring for Overall Rating 89 or higher: Exceeds Standard <89, but > or = to 63: Meets Standard <63, but > or = to 39: Does Not Meet Standard Less than 39: Falls Far Below Standard		59.38		100	38.75		100

The following is a timeline of activities that have occurred related to the academic performance of Kin Dah Lichii Olta:

June 12, 2006	The Board approved the transfer application package for Kin Dah Lichii Olta to transfer the charter contract from Peach Springs Unified School District #08 to the Board. At the time of the transfer, Virgil Holmes was the charter representative.
April 2009	The ten-year review of the charter was conducted. At that time, the school was rated as Performing. The Performance Management Plan was not yet part of the Five-Year Interval Review process.
November 23, 2011	The Board was notified that the charter representatives had been changed from Steven Kee and Virgil Holmes to Ronald Arias and Linda Youvella.
December 27, 2012	Kin Dah Lichii Olta was notified of the requirement to submit a Demonstration of Sufficient Progress (DSP) as a component of its renewal application because the school did not meet the academic performance expectations set forth by the Board.
May 21, 2013	Board staff conducted a site visit to meet with the school leadership team, review the documentation presented in the DSP, and review additional information to be considered in the final evaluation of the DSP submission.
June 10, 2013	The Board approved the renewal application package for Kin Dah Lichii Olta.
September 9, 2013	ADE notified the Board of the F letter grade status for Kin Dah Lichii Olta.
September 12, 2013,	In accordance with the Board's processes, the charter holder was notified in an email (portfolio: c. DSP Notification Letter) of its requirement to submit a DSP and Financial Performance Response as a requirement for a failing school that does not meet the Board's academic performance expectations. In the letter, the charter holder was also told that the determination by the Board of whether to restore or to revoke the charter for Kin Dah Lichii Olta would be based on the evidence of the charter holder's academic performance in accordance with the performance framework adopted by the Board, including the charter holder's demonstration of sufficient progress toward the academic performance expectations of the Board.
October 17, 2013	In accordance with the Board's processes, the charter holder was notified (portfolio: d. Site Visit Notifications) that Board staff would conduct a site visit on November 21, 2013 and that Board staff would verify information included in the DSP.
November 12, 2013	The charter holder submitted the DSP (portfolio: e. Demonstration of Sufficient Progress) and the Financial Performance Response timely.

November 14, 2013 Board staff sent an email to the charter representative, which confirmed the site visit date, identified items to be reviewed on site, and provided the initial evaluation of the DSP (portfolio: f. DSP Evaluation Instrument) submitted on November 12, 2013.

November 21, 2013 Board staff conducted a site visit to meet with the leadership team (Ora James, Principal, Eugene Curley, 8th grade teacher, Anna D'Alesandro, Special Education teacher, Lucinda Wauneka, 7th grade teacher, Eduardo Valles, acting head teacher, and Steven Kee, board member) to verify information presented in the DSP and review additional documentation to be considered in the final evaluation of the charter holder's DSP submission.

Demonstration of Sufficient Progress

The DSP submitted by Kin Dah Lichii Olta included data that does not demonstrate improved student achievement; the narrative to address the required areas (curriculum, monitoring instruction, assessment, and professional development) for measures for which the charter holder was required to provide a response was scored as not acceptable in the areas of curriculum and professional development for each measure. The charter holder was provided a copy of the initial evaluation prior to the site visit and informed that areas initially evaluated as not acceptable could be addressed with additional evidence and documentation at the time of the visit. The charter holder also had 48 hours following the site visit to submit relevant documentation.

After considering information in the DSP, evidence and documentation provided at the time of the site visit, and additional documentation submitted following the site visit, the charter holder failed to provide evidence of an implemented process for ongoing review and evaluation of curriculum, failed to provide evidence of an implemented process for ongoing follow-up and monitoring of professional development, and failed to provide data and analysis that demonstrates improved student achievement. A summary of findings for each required area as evaluated is provided below:

Curriculum:

The DSP described the creation and implementation of new curriculum for reading and math for FY14 (Pg. 3, Par. 2) and (Pg. 22, Par. 2), but lacked a process for ongoing evaluation and revision of curriculum. At the site visit, curriculum documentation was provided that documents the beginning stages of a curriculum aligned to Arizona's College and Career Readiness Standards. The documentation included curriculum maps, pacing guides, lesson plans, and the agenda for summer professional development, which focused on the initial implementation of the math curriculum and reading curriculum. No description or documentation of ongoing evaluation and revision to curriculum was provided. No evidence was provided to demonstrate that the new reading curriculum and new math curriculum are resulting in improved pupil achievement in reading and math.

Instruction:

The DSP described weekly review of lesson plans (Pg. 3 Par. 3) informal classroom observations, formal observations and written evaluation of teachers (Pg. 18 Par.7). The charter holder provided documentation of completed classroom observation forms, handwritten notes from classroom observations, completed lesson plan check forms, and the template for the teacher performance evaluation form. No completed teacher performance evaluation forms were provided. The principal stated that the classroom performance evaluations were not due until the week following the site visit.

Assessment:
The DSP described an annual data retreat, student grouping for instruction based on assessment data, and stated that assessment data is used quarterly to monitor and document student learning, realign instruction, and plan instruction based on data (Pg. 4 Par. 2), which included Prentice Hall Unit pre-tests and post-tests, unit summative assessments, benchmark testing in the Fall, Winter, and Spring, and annual analysis of AIMS data. At the site visit, the charter holder provided professional development agendas and sign-in sheets for summer professional development. The agenda included analysis of AIMS data, and time allocated for identifying students for math, reading, and writing intervention. Benchmark assessment data for 2012 (fall, winter, spring) and 2013 (fall), and rosters of student groups by tier for math and reading were provided. At the site visit, graphs and data (portfolio g: Evidence and Documentation) including AIMS data, benchmark assessment results, and weekly selection test results were provided. Other types of data provided included:

- Assessment results prior to 2013 (highlighted green)
- Assessment results for 6th grade, which is served by a Bureau of Indian Education school, not the charter school (highlighted red)
- Data not described in the DSP (highlighted yellow)
- Duplicates of graphs and data (highlighted blue)

No evidence of realignment of instruction based on data was provided. No analysis of the data was included to identify how the data and graphs provided demonstrate improved student achievement.

Professional Development:
The DSP described a professional development plan (Pg. 4, Par. 3; Pg. 7, Par. 5; Pg. 13, Par. 4; Pg. 19, Par. 2; Pg. 28, Par. 6) that lacks follow-up and monitoring strategies. At the site visit, additional documentation provided included a professional development schedule for 2013-14, and agendas and sign-in sheets for professional development sessions during the summer. Classroom observation notes and lesson plan review documentation were submitted within the 48-hour period after the site visit and demonstrate a process for monitoring classroom instruction, but do not demonstrate follow-up and monitoring specific to professional development topics. No evidence was provided to demonstrate that the professional development plan is resulting in improved pupil achievement in reading and math.

Financial Performance
The charter holder did not meet the Board's financial performance expectations based on the fiscal year 2012 audit. The following table includes the charter holder's financial data and financial performance for the last three audited fiscal years.

Kin Dah Lichii Olta

Financial Data				
	2013	2012	2011	
Statement of Financial Position				2010
Cash	$89,218	$43,213	$28,020	$181,531
Unrestricted Cash	$25,895	$0	$28,020	
Other Liquidity	-			
Total Assets	$231,500	$199,202	$437,393	
Total Liabilities	$39,266	$13,909	$144,427	
Current Portion of Long-Term Debt & Capital Leases	-	-	-	
Net Assets	$192,234	$185,293	$292,966	
Statement of Activities				
Revenue	$570,412	$374,826	$437,817	
Expenses	$563,471	$482,499	$373,869	
Net Income	$6,941	($107,673)	$63,948	
Change in Net Assets	$6,941	($107,673)	$63,948	
Financial Statements or Notes				
Depreciation & Amortization Expense	$21,744	$28,128	$28,128	
Interest Expense	-	-	$1,739	
Lease Expense	$4,599	$6,037	$2,707	

Financial Performance				
	2013	2012	2011	3-yr Cumulative
Near-Term Indicators				
Going Concern	No	No	No	N/A
Unrestricted Days Liquidity*	16.77	0.00	27.36	N/A
Default	No	No	No	N/A
Sustainability Indicators				
Net Income	$6,941	($107,673)	$63,948	N/A
Cash Flow	$46,005	$15,193	($153,511)	($92,313)
Fixed Charge Coverage Ratio	7.24	(12.18)	21.71	N/A

* For fiscal years 2011 and 2012, the field reflects the charter holder's performance under the financial framework's previous "Unrestricted Days Cash" measure.

The charter holder was required to submit a financial performance response based on the fiscal year 2012 audit (portfolio: h. Financial Evaluation and Response). Staff's evaluation of the initial financial performance response resulted in two "Acceptable" and two "Not Acceptable" determinations (portfolio: h. Financial Evaluation and Response). On November 21, 2013, the charter holder was provided the opportunity to provide additional information within 48 hours. On November 25, 2013, the

charter holder submitted a revised financial performance response (portfolio: i. Additional Financial Information).

While the charter holder did not meet the Board's financial performance expectations in fiscal years 2012 and 2013, the Demonstration of Sufficient Progress includes no indication that additional resources would be committed by the charter holder to developing systems that would result in improved academic performance.

Board Options

Option 1: The Board may vote to issue a Notice of Intent to Revoke the charter holder's charter contract. Staff recommends the following language for consideration: I move that the Board issue a Notice of Intent to Revoke the charter of Kin Dah Lichii Olta on the basis of its designation as an F school for FY 2013 and its failure to meet or demonstrate sufficient progress toward the Board's academic expectations as set forth in the performance framework. The charter holder failed to provide evidence of a system to evaluate and revise curriculum aligned with Arizona College and Career Ready Standards, failed to provide a comprehensive assessment system based upon clearly defined performance measures aligned with the curriculum, and failed to provide a comprehensive professional development plan that was aligned to teacher needs, provides for monitoring and follow-up strategies and is supported by data and analysis.

I further move that:

- Within 48 hours of receipt of the Notice the charter operator shall notify staff and parents/guardians of registered students of the Notice of Intent to Revoke and the Notice of Hearing and provide a school location where the copy may be reviewed;
- Within 20 days of receipt of the Notice the charter operator shall provide copies of all correspondence and communications used to comply with the preceding provision; and
- Within 20 days of receipt of the Notice the charter operator shall provide the Board with the names and mailing addresses of parents/guardians of all students registered with the school.

Option 2: The Board may vote to restore the charter to acceptable performance. The following language is provided for consideration: I move to direct staff to work with Kin Dah Lichii Olta to create a Consent Agreement for the purpose of restoring the charter to acceptable performance in accordance with A.R.S. § 15-241(U) that would minimally include quarterly progress reports that demonstrate evidence of a system to, evaluate, and revise curriculum aligned with Arizona College and Career Ready Standards supported by data and analysis, evidence of a comprehensive assessment system based upon clearly defined performance measures aligned with the curriculum supported by data and analysis, and evidence of a comprehensive professional development plan that is aligned to teacher needs and provides for monitoring and follow-up strategies supported by data and analysis, which collectively improves student achievement as supported by data.

I further move that if the terms of a consent agreement cannot be reached by the January Board meeting that the Board issue a Notice of Intent to Revoke the charter of Kin Dah Lichii Olta on the basis of its designation as an F school for FY 2013 and its failure to meet or demonstrate sufficient progress toward the Board's academic expectations as set forth in the performance framework. The charter holder failed to provide evidence of a system to evaluate and revise curriculum aligned with Arizona College and Career Ready Standards, failed to provide a comprehensive assessment system based upon clearly defined performance measures aligned with the curriculum, and failed to provide a

comprehensive professional development plan that was aligned to teacher needs, provides for monitoring and follow-up strategies and is supported by data and analysis.

I further move that:

- Within 48 hours of receipt of the Notice the charter operator shall notify staff and parents/guardians of registered students of the Notice of Intent to Revoke and the Notice of Hearing and provide a school location where the copy may be reviewed;
- Within 20 days of receipt of the Notice the charter operator shall provide copies of all correspondence and communications used to comply with the preceding provision; and
- Within 20 days of receipt of the Notice the charter operator shall provide the Board with the names and mailing addresses of parents/guardians of all students registered with the school.