BCS Exhibit 2-C

Arizona State Board for Charter Schools

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September 12, 2013

Kin Dah Lichii Olta
Ms. Linda Youvella, Charter Representative
P.O. Box 800
Ganado, AZ 86505

Dear Ms. Youvella,

On September 10, 2013, the Board was notified by the Arizona Department of Education that Kin Dah Lichii Olta earned an F letter grade for the Arizona Department of Education's A-F Letter Grade State Accountability System. In accordance with A.R.S. § 15-241(U), if a charter school is assigned a letter grade of F, the Board may take action to restore the charter school to acceptable performance or revoke the charter school's charter.

Pursuant to A.R.S. § 15-183(R), in implementing its oversight and administrative responsibilities for the charter schools it sponsors, the Arizona State Board for Charter Schools (Board) has adopted a performance framework that includes the academic performance expectations of charters schools. The Board's performance framework identifies measures as a basis for analysis to be used by the Board in making high-stakes decisions.

A determination by the Board of whether to restore or to revoke the charter for Kin Dah Lichii Olta will be based on the evidence of the charter holder's performance in accordance with the performance framework adopted by the Board, including the charter holder's submission of demonstration of sufficient progress toward the Board's expectations.

A dashboard representation of **Kin Dah Lichii Olta's** academic outcomes, based upon the indicators and measures adopted by the Board, is located at ASBCS Online. Directions for accessing dashboards are as follows:

- Log onto ASBCS Online
- Select "School(s)" link under the Charter Holder heading
- Choose a school name if your charter has more than one school site
- Select the "Academic Performance" tab

The overall rating for **Kin Dah Lichii Olta** is **38.75** out of a possible 100 and **falls far below the standard** as set by the Board. A school with an overall rating that does not meet or falls far below the Board's academic performance expectations may demonstrate sufficient progress toward the academic performance expectations set forth in the academic framework by documenting success of an implemented improvement plan aligned with the academic framework.

Accordingly, Kin Dah Lichii Olta **must submit a Demonstration of Sufficient Progress** for Kin Dah Lichii Olta that is described in Appendix D of the Academic Framework and Guidance document for all measures that did not meet or fell far below the Board's academic performance expectations as well as measures that were not rated and received an NR.

The Academic Performance Framework and Guidance document, specifically Appendix D, details the requirements for Demonstration of Sufficient Progress, including guidelines for preparing the Demonstration of Sufficient Progress, and the criteria that will be used to evaluate the submitted Demonstration of Sufficient Progress.

Additionally, under the revised financial performance framework approved on September 9, 2013, the Board reviews a charter holder's financial performance when one of a charter holder's schools receives a failing school designation. Based on the fiscal year 2012 audit, Kin Dah Lichii Olta does not meet the Board's financial performance expectations and therefore **must submit a financial performance response** to the Board. The charter holder's financial performance may be found in the dashboard below. For more information on preparing the financial performance response, please see Appendix C of the Board's *Financial Performance Framework and Guidance*.

Kin Dah Lichii Olta

Financial Performance Based on Fiscal Year 2012 Audit			
Near-Term Indicators			
Going Concern	No	Meets	
Unrestricted Days Cash	0.00	Falls Far Below	
Default	No	Meets	
Sustainability Indicators			
Net Income	($107,673)	Does Not Meet	
Fixed Charge Coverage Ratio	(12.18)	Does Not Meet	
Cash Flow (3-Year Cumulative)	($158,280)	Does Not Meet	
Cash Flow Measure Detail	$15,193 [FY12]	($153,511) [FY11]	($19,962) [FY10]

Note: Negative numbers are indicated by parentheses.

Please have prepared and submitted the requested information no later than **November 12, 2013**. I may be contacted at 602.364.3083 or by email if you have questions regarding these requirements.

Yours truly,

Martha Morgan

Martha Morgan
Director of Charter Accountability