Academy with Community Partners, Inc. - Entity ID 79213
School: Academy with Community Partners

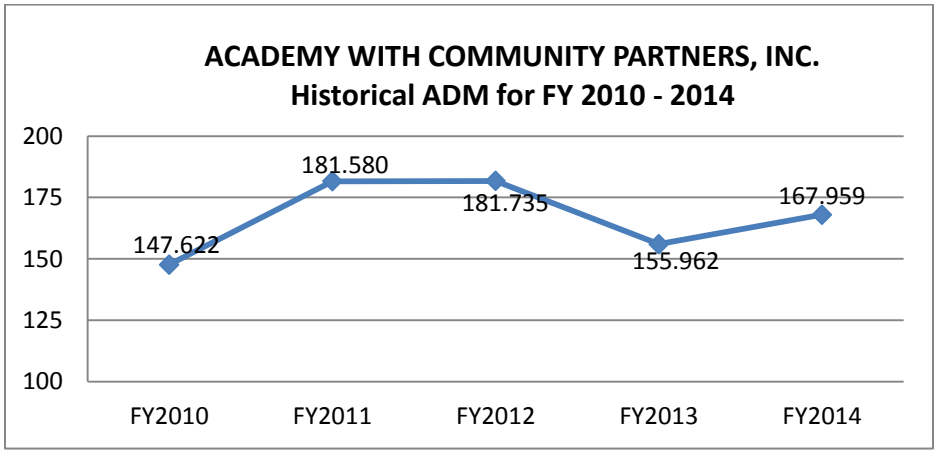
Renewal Executive Summary

Performance Summary

Academy with Community Partners, Inc. met the Board's academic performance expectations as set forth in the Performance Framework adopted by the Board and was waived from submitting the Academic Performance Section of the renewal application. The charter holder did not meet the financial performance expectations of the Board as set forth in the Performance Framework and was required to submit a financial performance response. Staff's evaluation of the response resulted in zero "Acceptable" and four "Not Acceptable" determinations. The charter holder did have compliance matters. The charter holder's organizational membership on file with the Board was not consistent with the information on file with the Arizona Corporation Commission and the charter holder was required to submit the Organizational Membership portion of the Detailed Business Plan Section of the renewal application. At the time of this report, the charter holder has been unable to complete all the appropriate filings to align the organizational membership on file with the Board and the Arizona Corporation Commission; however, the charter holder is making progress toward ensuring alignment between the organizational membership on file with the Board and the Arizona Corporation Commission.

Profile

Academy with Community Partners, Inc**.** operates one school serving grades K-8. The graph below shows the charter holder's actual 100th day average daily membership (ADM) for fiscal years 2010-2014.



A dashboard representation of Academy with Community Partners' academic outcomes, based upon the indicators and measures adopted by the Board, is provided below.

Academic Performance

NO PERMISSION TO EDIT

Academy with Community Partners

		2012 Alternative High School (9-12)			2013 Alternative High School (9 to 12)		
1. Growth		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
1a. SGP	Math	50	75	2.5	NR	0	0
	Reading	50	75	2.5	NR	0	0
1b. Improvement	Math	26.5	50	12.5	27.5	50	15
	Reading	40	50	12.5	33.5	50	15
2. Proficiency		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
2a. Percent Passing	Math	20 / 19.7	75	10	32 / 19.3	75	10
	Reading	47 / 49.2	50	10	56.5 / 52.2	75	10
2b. Subgroup ELL	Math	NR	0	0	NR	0	0
	Reading	NR	0	0	NR	0	0
2b. Subgroup FRL	Math	17 / 18.7	50	5	30.8 / 18.2	75	5
	Reading	41 / 47.6	50	5	56.1 / 50.5	75	5
2b. 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		B-ALT	75	5	B-ALT	75	5
4. Graduation		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
4a. Graduation		Not Met	50	15	Not Met	50	15
4b. Academic Persistence		94	100	20	91	100	20
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		65		100	68.75		100

I. Success of the Academic Program

The academic performance of the school operated by the charter holder meets the Board's academic performance expectations set forth in the performance framework adopted by the Board. Therefore, the charter holder was not required to submit a Demonstration of Sufficient Progress.

II. Viability of the Organization

The charter holder did not meet the Board's financial performance expectations based on the fiscal year 2013 audit. The following table includes the charter holder's financial data and financial performance for the last three audited fiscal years. For fiscal year 2013, the charter holder had a Classroom Site Fund cash carryover balance of $41,310, which under the Board's financial performance framework is considered restricted cash. At June 30, 2013, the charter holder had $0 cash and a $26,453 overdraft of cash in the bank at June 30, 2013. (Please also see the "B. Other Compliance Matters" section of this report.)

Academy with Community Partners, Inc.

Financial Data				
	2013	2012	2011	
Statement of Financial Position				2010
Cash	-	$44,480	$37,855	$53,574
Unrestricted Cash	-	$15,827	$7,326	
Other Liquidity	-			
Total Assets	$2,013,487	$2,053,395	$2,104,937	
Total Liabilities	$2,916,262	$2,710,039	$2,777,957	
Current Portion of Long-Term Debt & Capital Leases	$518,973	$439,000	$154,097	
Net Assets	($902,775)	($656,644)	($673,020)	
Statement of Activities				
Revenue	$1,238,167	$1,501,921	$1,434,266	
Expenses	$1,484,298	$1,485,545	$1,469,260	
Net Income	($246,131)	$16,376	($34,994)	
Change in Net Assets	($246,131)	$16,376	($34,994)	
Financial Statements or Notes				
Depreciation & Amortization Expense	$88,858	$91,066	$85,740	
Interest Expense	$192,469	$188,760	$201,397	
Lease Expense	$6,847	$11,346	$3,804	

Financial Performance				
	2013	2012	2011	3-yr Cumulative
Near-Term Indicators				
Going Concern	No	No	No	N/A
Unrestricted Days Liquidity*	0.00	3.89	1.82	N/A
Default	No	No	No	N/A
Sustainability Indicators				
Net Income	($246,131)	$16,376	($34,994)	N/A
Cash Flow	($44,480)	$6,625	($15,719)	($53,574)
Fixed Charge Coverage Ratio	0.06	0.48	0.71	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 2013 audit (portfolio: d. Financial Response). Staff's evaluation of the financial performance response resulted in zero "Acceptable" and four "Not Acceptable" determinations (portfolio: c. Financial Response Evaluation).

III. Adherence to the Terms of the Charter

A. Compliance Matters Requiring Board or Other Agency Action

Over the past five years, there were no items to report.

B. Other Compliance Matters

The fiscal year 2013 audit identified an issue that required a corrective action plan (CAP). Specifically, the audit indicated the charter holder did not have sufficient cash at year-end to cover the Classroom Site Fund (CSF) carryover. The charter holder's CSF cash carryover balance as of June 30, 2013 totaled $41,310 and the charter holder had $0 cash on hand. The charter holder submitted a satisfactory CAP.

In May 2011, the results of an on-site review of the Elementary and Secondary Education Act (ESEA) programs identified deficiencies in some areas regarding Title 1. The deficiencies were reported by ADE as resolved in December 2011.

C. Charter Holder's Organizational Membership

Because the organizational membership on file with the Board was not consistent with the information on file with the Arizona Corporation Commission, the charter holder was required to submit the charter holder's Organizational Membership portion of the Detailed Business Plan Section. In the renewal application, the charter holder submitted the corporate officer information from the Arizona Corporation Commission and documentation that a Charter Holder Governance Notification Request was filed through ASCBS Online on March 27, 2014. That request was deemed administratively incomplete on April 3, 2014 because all of the required supporting documentation was not provided in the initial filing. On April 25, 2014 the charter holder resubmitted the request, this request was deemed substantively incomplete on April 30, 2014 because the charter holder was attempting to add an individual whose fingerprint clearance card is expired and submitted the individual's application for a fingerprint clearance card rather than a valid card. After further discussion with the charter representative, on April 30, 2014 the charter holder resubmitted the request, eliminating the request to add the individual who does not have valid fingerprint clearance card. This request was deemed substantively complete on May 2, 20104. The approval of this request partially, but not fully, aligns the organizational membership on file with the Board and the Arizona Corporation Commission. In order to fully align the organizational membership, the charter holder must submit another Charter Holder Governance Notification Request to add the individual who does not currently have a valid fingerprint clearance card after the fingerprint clearance card is issued by the Department of Public Safety.

Board Options

Option 1: Renewal is based on consideration of academic, fiscal and contractual compliance of the charter holder. In this case, the charter holder meets the academic performance expectations set forth in the Board's performance framework. There is a record of past contractual noncompliance which has been reviewed. The charter holder is currently not in compliance with regard to organizational membership for the reason that it made changes to its organizational membership prior to seeking approval of the Board, but the charter holder has taken steps to remediate the noncompliance and the Board is not precluded from taking disciplinary action if the noncompliance is not corrected. With that taken into consideration as well as all information provided to the Board for consideration of this

renewal application package and during its discussion with representatives of the charter holder, I move to approve the request for charter renewal and grant a renewal contract to Academy with Community Partners, Inc.

Option 2: The Board may deny the renewal. The following language is provided for consideration: Based upon a review of the information provided by the representatives of the charter holder and the contents of the application package which includes the academic performance, the fiscal compliance, and legal and contractual compliance of the charter holder over the charter term, I move to deny the request for charter renewal and to not grant a renewal contract for Academy with Community Partners, Inc. Specifically, the charter holder, during the term of the contract, failed to meet the obligations of the contract or failed to comply with state law when it: (Board member must specify reasons the Board found during its consideration.)