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**AGENDA ITEM:** In the matter of Back-to-Basics School and Scottsdale Horizons Charter School

**Background:**

Back-to-Basics School:

- In May 2010, the Board began withholding 10% of the charter holder's state monthly aid and issued a notice of intent to revoke the charter (No. 10F-RV-003-BCS) for failing to report student attendance data in accordance with A.R.S. §§ 15-185(B)(2), 15-901 and 15-902. The matter was settled as described in the On-going Board Actions as of March 2, 2011. The settlement agreement required, in part, that Back-to-Basics School provide to the Board no later than February 9, 2011, copies of the daily classroom attendance rosters for the period of 10/11/10 through 2/4/11. On February 23, 2011, Board staff sent a letter to Back-to-Basics School reminding them of the agreement's requirement and notifying them that the rosters had not been received. No information has been received to date.
- On November 19, 2010 the Board added to the basis for the withholding of 10% of the charter holder's state monthly aid for failing to submit its 2010 Annual Financial Audit and Legal Compliance Questionnaire which was due on November 15, 2010.
- On January 10, 2011, the Board added to the basis for the withholding of 10% of the charter holder's state monthly aid and issued a notice of intent to revoke the charter (No 11F-RV-001-BCS) for failing to comply with special education requirements and failing to timely submit the fiscal year 2010 audit.

Scottsdale Horizons Charter School:

- In May 2010, the board began withholding 10% of the charter holder's state monthly aid for failing to report student attendance data in accordance with A.R.S. §§ 15-185(B)(2), 15-901 and 15-902.
- On July 12, 2010, the Board voted to deny the request for charter renewal and to not grant a renewal contract for Scottsdale Horizons Charter School. The decision was appealed (No. 11F-RN-001-BCS). The matter was settled as described in the On-going Board Actions as of March 2, 2011. In the settlement agreement, Scottsdale Horizons Charter School agrees to voluntarily dismiss its appeal of the Board's decision to deny Scottsdale Horizons' request for renewal of its charter. The settlement agreement also states that Scottsdale Horizons Charter School will provide to the Board no later than February 9, 2011, copies of the daily classroom attendance rosters for the period of 10/11/10 through 2/4/11. On February 23, 2011, Board staff sent a letter to Scottsdale Horizons Charter School reminding them of the agreement's requirement and notifying them that the rosters had not been received. No information has been received to date.
- On November 19, 2010 the Board added to the basis for the withholding of 10% of the charter holder's state monthly aid for failing to submit its 2010 Annual Financial Audit and Legal Compliance Questionnaire which was due on November 15, 2010.

- On January 10, 2011, the Board added to the basis for the withholding of 10% of the charter holder's state monthly aid and issued a notice of intent to revoke the charter (No 11F-RV-002-BCS) for failing to comply with special education requirements and failing to timely submit the fiscal year 2010 audit.

**Timeline:**

On February 17, 2011, upon consideration of a Motion to Consolidate filed by the Board, the Office of Administrative hearings consolidated the Back-to-Basics School and Scottsdale Horizons Charter School revocation hearings into one and scheduled the hearing for April 25-28, 2011.

In [a letter addressed to the Board's legal counsel](#), dated February 7, 2011, and received on February 17, 2011, Marcia Lee, the Charter Representative, states a willingness to surrender both of the charters at the end of the school year. The last day of instruction at each of the three schools is May 20, 2011.

Assuming the hearing concludes and the record closes within the scheduled 4 days for hearing (April 25-28), the Board would likely receive the ALJ's recommended Findings of Fact, Conclusions of Law and Order on or about May 20, 2011. The Board would then consider the ALJ findings at its regularly scheduled meeting in June or July 2011. The Board would issue its order within 5 days of that meeting. The charter holder would then have 35 days to appeal the decision.

**Board Options:**

1. Proceed with the hearing as scheduled.
2. Direct staff to work with legal counsel on a settlement agreement in the matter that includes the surrender of the charter contract for Back-to-Basics School at the end of the school year.

**Staff Recommendation:**

Option 2