
AGENDA ITEM: Compliance Matters – Bradley Academy of Excellence, Inc.

Issue

Based on its submitted fiscal year 2009 audit, Bradley Academy of Excellence, Inc. has failed to comply with attendance record retention requirements for the third time in four years. Pursuant to the Board’s [Audit & Compliance Questionnaire Follow-up Matrix](#), the charter holder has been placed on the agenda for the Board’s consideration.

Background

The number of students attending a charter school during the first 100 days of the school year drives the amount of State funding received by the school. The amount of funding received from the State is affected by the point at which students enroll during that 100-day period, how long they stay enrolled, as well as the attendance patterns of the students while enrolled. Although the funding is based on the first 100 days of the school year, schools must take attendance and report that information to the State for the full year. The attendance records must be retained in accordance with the Public Records Law and the General Retention Schedule for School Districts and Charter Schools published by the Arizona State Library, Archives and Public Records.

Bradley Academy of Excellence, Inc.

As demonstrated in the table below and based on the charter holder’s annual audits, for three of the past four fiscal years, Bradley Academy of Excellence has not complied with attendance record retention requirements.

Fiscal Year	Attendance Records Not Retained
2006	Teacher attendance registers, sign-in/sign-out sheets and tardy slips.
2007	Sign-in/sign-out sheets.
2008	No issues identified regarding attendance record retention.
2009	Teacher attendance registers and sign-in/sign-out sheets.

On April 8th, staff emailed a letter asking Bradley Academy of Excellence to provide certain information by April 26th regarding the noncompliance. By the deadline, staff received the charter holder’s response. The charter holder also timely submitted a follow-up response requested by staff. In its responses, the charter holder indicated:

- The school has experienced a high rate of turnover at the office manager position in the past. For fiscal year 2010, there has been stability in that position. Additionally, the office manager has received training on student attendance procedures and is responsible for ensuring attendance records are retained.
- For fiscal year 2010, the school intended to go to a completely computerized attendance system. Due to technical issues, the school continued to use teacher attendance rosters, as well as sign-in and sign-out logs. Although it wasn’t possible in fiscal year 2010, the school would still like to move from the paper system to a completely computerized system.
- In preparation for the attendance portion of the audit, school staff has gathered all attendance information and “are confident that proper documentation has been retained”.

No other issues were identified in the fiscal year 2009 audit that required the school to submit a corrective action plan to the Board.

Board Options

1. Based on the information provided by the charter holder, take no action at this time other than to direct staff to place Bradley Academy of Excellence, Inc. on the Board’s January 2011 agenda for further consideration should the fiscal year 2010 audit identify continued noncompliance with attendance record retention requirements. (Since the charter holder is subject to a financial statement audit, the deadline for submitting its fiscal year 2010 audit is November 15, 2010.)

2. The Board may find Bradley Academy of Excellence, Inc. is in noncompliance with state law for its failure to retain student attendance records as required by A.R.S. §39-121.01 and in accordance with the General Retention Schedule for School Districts and Charter Schools published by the Arizona State Library, Archives and Public Records and approve withholding 10% of Bradley Academy of Excellence's monthly State aid apportionment until compliance is demonstrated through the fiscal year 2010 audit. If Bradley Academy of Excellence's fiscal year 2010 audit does not demonstrate compliance, the charter holder will be brought back to the Board for consideration of other ways through which the charter holder could demonstrate compliance in order to have the 10% returned.
3. The Board may vote to issue a Notice of Intent to Revoke the charter contract of Bradley Academy of Excellence for failing to retain student attendance records as required by A.R.S. §39-121.01 and in accordance with the General Retention Schedule for School Districts and Charter Schools published by the Arizona State Library, Archives and Public Records.
 - 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.
4. The Board may choose to withhold 10% of the charter holder's monthly State aid apportionment (Option #2) and to issue a Notice of Intent to Revoke the charter holder's charter contract (Option #3).

Staff's Recommendation

Staff's recommendation is Option #2.