

## POLICY STATEMENT

### Policy on the Eligibility of Charter Schools for State Equalization Payments

#### Policy Statement:

A charter school may not receive funding for an original or additional site until a current certificate of occupancy and fire inspection report for educational use are provided. Charter Holders with a secured facility may sign an Occupancy Compliance Assurance and Understanding to obtain a CTDS and Entity ID for reporting and upload purposes. Staff will submit a written request to the Arizona Department of Education (“ADE”) to hold funding for 1) new charter schools that have signed a charter contract, 2) new school sites under existing charter contracts, and 3) school sites under existing charter contract moving from one location to another until the school has submitted valid copies of the required certificate of occupancy and fire marshal inspection report for the new educational facility. Upon receipt and verification of these documents, the Board’s staff will submit a written request to the ADE for the appropriate release of funds due to the school.

#### ASBCS Process:

##### 1. School notification:

New charter holders are notified of the ASBCS policy during the new operator workshop and again at the time of contract signing. Each charter holder is required to sign and will be provided a copy of the Occupancy Compliance Assurance and Understanding outlining the policy and the timeframes as described in this document.

Existing charter holders are notified of the ASBCS policy as part of the site notification process and charter holders are required to submit a signed copy of the Occupancy Compliance Assurance and Understanding, which outlines the policy as a requirement to add a new school site or to move school locations if the site notification is not accompanied by a certificate of occupancy and current fire marshal inspection report for educational use.

Upon receipt of the signed copy of the Occupancy Compliance Assurance and Understanding form, the charter holders are provided a CTDS and Entity ID for a new school. Charter holders are then able to upload student estimated counts without state equalization funds being released.

##### 2. Submission of Documents:

A copy of a valid certificate of occupancy and a fire marshal inspection report for each new location providing educational services must be submitted to the ASBCS office **prior** to the initiation of state equalization assistance payments and **prior** to delivery of educational services to students. Copies may be faxed or mailed to:

Arizona State Board for Charter Schools  
Attention: Contracts & Administrative Services Manager  
1700 West Washington Street, Room 164  
Phoenix, Arizona 85007

or faxed to (602) 364-3089

**3. Validation and Notification to ADE:**

Once the ASBCS office has verified that the appropriate documents for each location have been received, the ASBCS office will notify the school and the ADE School Finance Unit's Charter School Payment Manager that the school is eligible for payment. If the ASBCS office determines that additional information is necessary, the charter holder will be notified of the deficiencies.

**4. Release of payment:**

The ADE School Finance Unit will mark the school eligible for payment and a payment will generate in the next payment cycle. Schools eligible for payment by the 5<sup>th</sup> of the month will generate a payment for that month's payment cycle. School marked eligible after the 5<sup>th</sup> of the month will not generate a payment until the next month's payment cycle. No off-system payments will be made.

Historical Note:

Effective:	New Charters Opening in 2004-2005 and Beyond
Board Approval Date:	April 14, 2003
Revised:	May 19, 2003

# Arizona State Board for Charter Schools

## Occupancy Compliance Assurance and Understanding

The Arizona State Board for Charter Schools (“ASBCS”), at a meeting held on **XXXXXXX**, approved a revised policy that requires new and existing charter holders to submit a copy of a valid certificate of occupancy and current fire marshal inspection report for each location where educational services will be provided prior to the initiation of state equalization payments.

The ASBCS will request that the Arizona Department of Education (“ADE”) withhold state equalization assistance payments for 1) new charter schools that have signed a charter contract, 2) new school sites under existing charter contracts, and 3) school sites under existing charter contract moving from one location to another until the school has submitted valid copies of the required certificate of occupancy and current fire marshal inspection report for the new educational facility.

Once the ASBCS office has verified that the appropriate documents for each location have been received, the ASBCS office will notify the school and the ADE School Finance Unit’s Charter School Payment Manager that the school is eligible for payment. The ADE School Finance Unit will mark the school eligible for payment and a payment will generate in the next payment cycle if all other requirements of ADE School Finance have been met. Schools eligible for payment by the 5<sup>th</sup> of the month will generate a payment for that month’s payment cycle. Schools marked eligible after the 5<sup>th</sup> of the month will not generate a payment until the next month’s payment cycle. No off-system payments will be made.

By signing below, I understand the Board’s policy and that I am required to submit an educational use Certificate of Occupancy and a current fire marshal inspection report to the ASBCS office for each of our school facilities. These documents must be presented to the ASBCS office prior to occupancy of the building and prior to receipt of equalization payments for students enrolled at this site.

I acknowledge that if these documents are not submitted prior to occupancy, the school’s opening date may be postponed and/or the Board may take action as allowed by statute and the charter contract.

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Charter Holder Name

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Charter Representative Signature

Date