Country Gardens Charter Schools - Entity ID 79074
School: Country Gardens Charter School

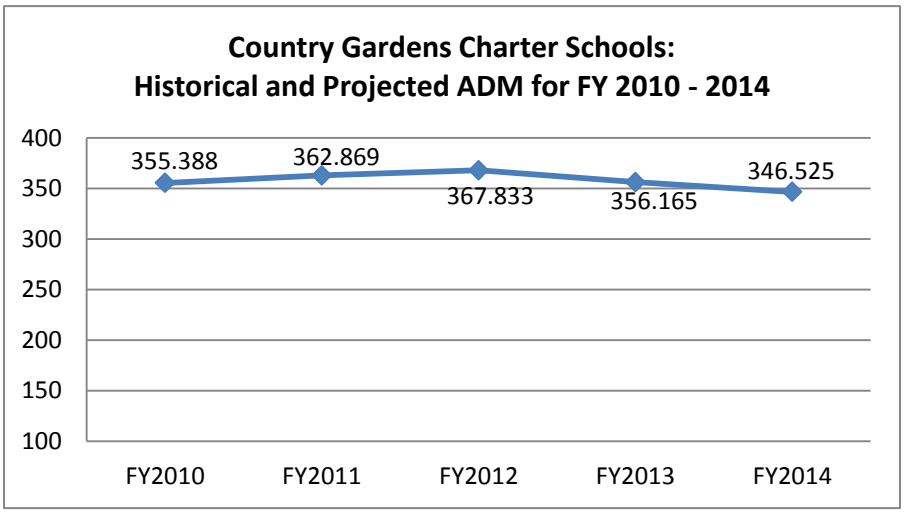
Renewal Executive Summary

Performance Summary

Country Gardens Charter Schools 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 one "Acceptable" and one "Not Acceptable" determinations. Based on the fiscal year 2013 audit, the charter holder now meets the Board's financial performance expectations. The charter holder did have compliance matters. The charter holder's organizational membership on file with the Board was consistent with the information on file with the Arizona Corporation Commission.

Profile

Country Gardens Charter Schools operates one school in Laveen serving grades K-12. The graph below shows the charter holder's actual 100th day average daily membership (ADM) for fiscal years 2010-2013 and the fiscal year 2014 ADM as of January 14, 2014.



A dashboard representation of Country Garden Charter School's academic outcomes, based upon the indicators and measures adopted by the Board, is provided below.

Academic Performance

Edit this section.

Country Gardens Charter School

		2012 Traditional K-12 School (K-12)			2013 Traditional K-12 School (K-12)		
1. Growth		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
1a. SGP	Math	59	75	10	73	100	10
	Reading	55.5	75	10	50	75	10
1b. SGP Bottom 25%	Math	56.5	75	10	72	100	10
	Reading	47.5	50	10	51	75	10
2. Proficiency		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
2a. Percent Passing	Math	55 / 62.5	50	7.5	57 / 62.9	50	7.5
	Reading	76 / 78	50	7.5	70 / 78.7	50	7.5
2b. Composite School Comparison	Math	-8.4	50	5	-5.4	50	5
	Reading	-3.4	50	5	-8.5	50	5
2c. Subgroup ELL	Math	33 / 42.2	50	2.5	33 / 39.1	50	2.5
	Reading	53 / 53.1	50	2.5	47 / 50.5	50	2.5
2c. Subgroup FRL	Math	51 / 52.5	50	2.5	55 / 54.7	75	2.5
	Reading	76 / 69.9	75	2.5	68 / 72.4	50	2.5
2c. Subgroup SPED	Math	23 / 20	75	2.5	10 / 21	50	2.5
	Reading	31 / 38.7	50	2.5	26 / 33.8	50	2.5
3. State Accountability		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
3a. State Accountability		B	75	5	B	75	5
4. Graduation		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
4a. Graduation		100	100	15	100	100	15
Overall Rating		Overall Rating			Overall Rating		
Sooring for Overall Rating 89 or higher: Exoeeds Standard <89, but > or = to 63: Meets Standard <63, but > or = to 39: Does Not Meet Standard Less than 39: Falls Far Below Standard		67.5		100	74.38		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 2012 audit.[1] The following table includes the charter holder's financial data and financial performance for the last three audited fiscal years. Based on the fiscal year 2013 audit, the charter holder now meets the Board's financial performance expectations.

[1] In addition to the "Does Not Meet" received on the Unrestricted Days Cash measure, in fiscal year 2012, the charter holder received a "Does Not Meet" on the Cash Flow measure because of the negative cash flow for fiscal year 2012.

Country Gardens Charter Schools

Financial Data				
	2013	2012	2011	
Statement of Financial Position				2010
Cash	$234,339	$108,906	$153,107	($10,000)
Unrestricted Cash	$234,339	$108,906	$153,107	
Other Liquidity	-			
Total Assets	$335,856	$258,285	$247,263	
Total Liabilities	$194,082	$171,184	$260,746	
Current Portion of Long-Term Debt & Capital Leases	$6,400	-	$91,934	
Net Assets	$141,774	$87,101	($13,483)	
Statement of Activities				
Revenue	$2,613,151	$2,619,866	$2,434,412	
Expenses	$2,558,390	$2,519,279	$2,358,804	
Net Income	$54,761	$100,587	$75,608	
Change in Net Assets	$54,761	$100,587	$75,608	
Financial Statements or Notes				
Depreciation & Amortization Expense	$10,588	$7,460	$15,755	
Interest Expense	-	-	$710	
Lease Expense	$552,606	$540,000	$516,000	

Financial Performance				
	2013	2012	2011	3-yr Cumulative
Near-Term Indicators				
Going Concern	No	No	No	N/A
Unrestricted Days Liquidity*	33.43	15.78	23.69	N/A
Default	No	No	No	N/A
Sustainability Indicators				
Net Income	$54,761	$100,587	$75,608	N/A
Cash Flow	$125,433	($44,201)	$163,107	$244,339
Fixed Charge Coverage Ratio	1.11	1.20	1.00	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 2012 audit (portfolio: d. Financial Response). Staff's evaluation of the financial performance response resulted in one "Acceptable" and one "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 2010 audit indicated that Country Gardens Charter School ("School") is a division of Country Gardens Educational Services, LLC ("Charter Operator") and not a corporation. For fiscal year 2010, the School filed tax returns under the name "Country Gardens Charter Schools", which is a registered Arizona corporation, but is legally distinct from the School and the Charter Operator. Subsequent to the audit's submission, an amendment was filed with and approved by the Board to change the charter holder from Country Gardens Educational Services, LLC to Country Gardens Charter School. No corrective action plan was required, but the information regarding the tax filings was forwarded to the Internal Revenue Service and the Arizona Department of Revenue for their review and, if necessary, follow-up.

C. Charter Holder's Organizational Membership

Because the organizational membership on file with the Board was consistent with the information on file with the Arizona Corporation Commission, the charter holder was not required to submit the charter holder's Organizational Membership portion of the Detailed Business Plan Section.

Board Options

Option 1: The Board may approve the renewal. Staff recommends the following language provided for consideration: 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. 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 Country Gardens Charter Schools.

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 Country Gardens Charter Schools. 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.)