AGENDA ITEM: NEW CHARTER APPLICATION – DESERT STAR ACADEMY, INC.

Desert Star Academy, Inc. submitted a complete new charter application package to serve grades K-6 for the Board's consideration. The revised application package meets the minimum scoring requirements set by the Board for the 2014-2015 application cycle.

REPORT SUMMARY

Applicant Name: Desert Star Academy, Inc.

Authorized Representative Name: Margie Montgomery

Proposed School Name: Desert Star Academy

Proposed School Location: In the South Fort Mohave / North Mohave Valley area

Mission Statement

Desert Star Academy, a college preparatory school, will provide all children in the community an educational foundation rich in student engagement and rigor that will empower all scholars to become excelling and accountable scholars, productive citizens in their community and future leaders of society.

Target Population

The Applicant proposes to target students in the "culturally and economically diverse community" south of Bullhead City, Arizona and north of the Fort Mojave Indian Reservation. This includes the cities known as Fort Mohave and Mohave Valley. North of the Fort Mohave community, it is comprised of small and medium businesses that are the outgrowth of Bullhead City. The southern community includes small family owned businesses and agricultural areas and to the distant south is the Fort Mojave Indian Reservation.

Student Count

Year	Grades Served	# of Students
1	K-6	85
2	K-6	140
3	K-6	215

School Calendar
Standard, 144 instructional days

Target Start Date
August 4, 2014

Application Package Scoring

	Preliminary TRP Scores		Revised TRP Scores	
Any **Falls Below the Expectations** ratings?	No		No	
Any section in which more than one evaluation area scored **Approaches**?	Yes		No	
		Percent Meets		Percent Meets
Educational Plan Score ≥ 95% Meet standard?	No	84%	Yes	99%
Operational Plan Score ≥ 95% Meet standard?	No	92%	Yes	96%
Business Plan Score ≥ 95% Meet standard?	Yes	97%	Yes	100%

The TRP provided the Applicant with written technical assistance based on its review of the preliminary written application package and, the revised written application package prior to the in-person interview.

In-Person Interview Summary

During the in-person interview the Applicant responded to the questions regarding the submitted (Educational, Operational, Business) Plan.

Margie Montgomery was the sole Applicant representative for the Desert Star Academy, Inc. application to establish the Desert Star Academy charter school ("DSA"). Ms. Pam Cardinal, the other Corporate Principal of record, was unable to attend the interview. The Applicant articulated each section of the application package with confidence, clarity, and depth.

Regarding the Educational Plan, the TRP requested clarification on how "Study Fridays" would support student learning. The Applicant explained that weekly and monthly staff meetings will be convened to discuss school-wide data and individual student performance data. Based on these discussions, school leadership and classroom teachers will establish academic goals and instructional "tutoring or enrichment" activities for each student.

The Applicant adequately responded to concerns regarding how "individualization of instruction" occurs in multi-grade classrooms. The Applicant explained the plan to seek teachers with experience in multi-grade classrooms, and use teaching assistants to "free up" teachers to move among ability groups. Also described were a variety of small group techniques and topics that could potentially be covered in a class-wide manner.
Regarding the rationale for opening with multi-grade classrooms and transitioning to individual grade level classrooms by year three, the Applicant stated that, while she "preferred not to have the multi-grade classes," she made a hard decision to be conservative in how DSA's enrollment and class configuration will roll out based on research of the prospective applicant pool, and further articulated the assumptions on which the decision was based.

The Applicant clarified the planned relationship between Desert Star Preschool and DSA. The preschool will serve as a feeder school to DSA but will be separate from DSA. There will be separate boards; the corporate board will become the governing board of DSA.

Qualitative Analysis Summary

The TRP recommends that the application for Desert Star Academy, Inc. be approved because the application package presents cohesive Educational, Operational, and Business Plans, all of which were substantively complete in the revised submission. The TRP finds that the Applicant has the range of knowledge, skills, and experience needed to open and operate a high quality charter school.

DSA's educational philosophy refers to student outcomes of "excelling in academics and being productive citizens and leaders among peers." The Educational Plan is designed to support the philosophy, grounded in evidence-based academic programs and instructional methods. The Applicant plans to incorporate Core Knowledge, Saxon Math, McGraw Hill, and Wilson Foundations instructional materials to support delivery of a Common Core aligned curriculum.

The Operational Plan, which exceeded the 95 percent threshold to meet the standard for approval, did require clarification specifically regarding the size and composition of the board, which was adequately addressed at the interview. With respect to the governing body's membership as presented in the application package, the Applicant explained that the governing board will have five to seven members, and the current members bring business, financial, marketing, community outreach, and public sector experience to the board.

The Applicant submitted and articulated sound, conservative budgets that support DSA's student recruitment plans, loan repayments, and educational program. The Applicant has been resourceful in securing furniture, math and language arts materials from a local school that closed in spring of 2011, and taking advantage of

quantity discounts on curriculum, supplies, and equipment while operating Desert Star Preschool. Further, adequate funds were allocated to purchase curriculum materials for the programs described in the Educational Plan.

Interview responses confirmed the TRP's quantitative assessment that the application package as a whole meets the criteria for approval and that the Applicant has the capacity to implement the plan as proposed.

A. EDUCATIONAL PLAN

The following summary was created from excerpts and summaries of the documents submitted for the Applicant's Educational Plan.

Plan Summary

DSA will implement Core Knowledge Sequence as the curricular framework and scaffold to ensure all content areas align with Common Core. Selected instructional resources include Saxon Math, McGraw-Hill, and Wilson Foundations. Character Counts will be used to establish a positive school culture. Technology is embedded within each unit of instruction for both the classroom learning and the home connection.

DSA will use differentiated instruction, peer grouping, cooperative learning, and integrated visual and tactile support in literacy as key methods of instruction. The Acuity software program will be used to assess scholar achievement. In addition, DSA will administer the Woodcock Johnson III Academic Achievement test, the Stanford 10 for second graders and Arizona's Instrument to Measure Standards (AIMS) for 3rd through 6th grades.

Instruction at DSA will be facilitated in a multi-grade setting for the first three years of operation. The school plans to transition to a single-grade classroom setting when student enrollment can support that model. Teaching assistants will be assigned to classrooms to work with small groups as teachers engage in "whole group grade level" instruction.

DSA will implement the Response to Intervention (RtI) model as part of the intervention process of identifying scholars with disabilities. In addition, "Study Fridays" will provide struggling and advanced students with tutorial and/or enrichment activities.

PMP

The Performance Management Plan (PMP) for new applicants is a continuous school improvement plan that demonstrates the Applicant is ready to implement systems for meeting the Board's academic performance expectations. The Applicant submitted a PMP that met the criteria in all areas for both Reading and Math. Details can be found in the attached Scoring Rubric (presented in the application portfolio B: Scoring Results).

Curriculum Samples

Curriculum samples were provided for grades K-6. The table below indicates which curriculum samples in the revised application package met all Board requirements (+), and which had deficiencies (-).Details can be found in the Scoring Rubric below (presented in the application portfolio B: Scoring Results).

Grade	Math	Reading	Writing	Science
K	+	+	+	
1	+	+	+	
2	+	+	+	
3	+	+	+	
4	+	+	+	-
5	+	+	+	+
6	+	+	+	+

Educational Plan Findings

	Preliminary TRP Scores		Revised TRP Scores	
Educational Plan Score ≥ 95% Meet standard?	No	62 of 74	Yes	73 of 74
Number of "Falls Below" ratings	0		0	
Number of "Approaches" ratings	12		1	

Analysis of Educational Plan

The Educational Plan meets the criteria for approval because DSA's educational philosophy, curricular framework, and instructional and assessment methodologies are well designed to serve the target population.

DSA's educational philosophy refers to student outcomes of "excelling in academics and being productive citizens and leader among peers." The educational plan supports the philosophy as it is founded on research based academic programs and instructional methods. The Applicant selected the Core Knowledge Sequence, which posits that "the explicit identification of what children should learn at each grade level ensures a coherent approach to building knowledge across all grade levels." DSA will use this scaffolding approach to make certain students are excelling based on the acquisition of knowledge through a Common-Core Standards-aligned curriculum. The school will implement the "Character Counts!" program to help students become productive citizens, as aligned with their philosophy. That program has six pillars (trustworthiness, respect, responsibility, fairness, caring, and citizenship) that are not political, religious, or culturally biased, which supports the principles of public education.

Though the education plan was substantively complete, the TRP had several questions regarding the multi-grade classrooms. The Applicant addressed these questions adequately, explaining that DSA staff will not only be required to implement a rigorous curriculum, but also that candidates for teaching positions must have a good record of accomplishment with AIMS and experience in multi-grade classrooms. This assured the TRP that the combined classes would be staffed by experienced teachers, including some current candidates known by the proposed head of school. Further, adequate support in the form of teaching assistants will be provided to ensure grade level expectations are met. Additionally, the Applicant clearly described how teaching and learning would look in multi-grade classes. For example, upon entering a class, one might see a small group of 5th grade students receiving direct instruction in reading, while 4th graders work on grade-level reading standards in a cooperative group setting. Some topics in science and social studies are similar and will be taught in a whole group setting, but with different levels of rigor.

Regarding the rationale for opening with multi-grade classrooms and transitioning to individual grade-level classrooms, the Applicant thoroughly explained the evidence that was considered in making the decision to use the proposed enrollment and growth plan to reach as many students as possible. Specifically, the Applicant

stated there are only 1,600 students in the district, so fewer K-6 students are actually available to attend. The Applicant also considered the needs of Desert Star Preschool parents, who have expressed interest in having their older children on the same schedule as the preschool. The Applicant does not anticipate having any 6th graders in year one and only a few 5th graders, as "students don't usually transfer to other schools in the upper grades." It is projected that the largest enrollment base will come from kindergarten and first grades with 20 available seats per class.

The Applicant will offer a number of safety nets and opportunities for struggling and advanced students. A clear explanation of the RtI model and how it would be used was concise and aligned to the school's focus on assessing students individually to determine strengths and deficits. In addition, "Study Fridays" will provide struggling and advanced students with tutorial and/or enrichment activities based on class performance and assessment data. The Applicant presented a thorough explanation of how the staff will prepare for "Study Fridays" to support student learning, and how the outcomes of those days would inform classroom instruction. Because the school is designed to be small, individual student performance data would be discussed by the whole staff in weekly meetings. The staff will go over entire instructional plans on Thursday afternoon in preparation for "Study Friday." It is anticipated that study sessions will be small and in year one, every staff member - including the principal - would participate in implementing the program.

B. OPERATIONAL PLAN

The following summary was created from excerpts and summaries of the documents submitted for the Applicant's Operational Plan.

Plan Summary

Desert Star Academy, Inc. is a non-profit corporation, located in Mohave Valley, Arizona, that was created in June 2011 for "the purpose of preservation, restoration and educational services and activities related to Desert Star Academy."

DSA's school governing body will have five to seven members, and current members bring business, financial, marketing, community outreach, and public sector experience to the board. "All policies and procedures of the any charter schools operated by the Corporation shall be established and exercised by or under the authority of the Governing Board." The head of school will be the link between the DSA and the school governing body.
The DSA Governing Board will have the following roles and responsibilities: provide guidance and support to the School Director, ensure the school is meeting its intended objectives, approve the annual budget, approve compensation plans, authorize fund transfers, review and approve curriculum, attend trainings, and ensure compliance with all mandated laws.

The head of school will manage and oversee the daily operations of the school, including but not limited to academic areas, such as facilitating the creation of curriculum, reviewing unit and daily plans and assessments, conducting classroom observations, facilitating data-driven reflection and planning sessions, and evaluating teachers. To ensure that the multi-grade class model is effective, each teacher must demonstrate the ability to plan, deliver, and assess scholars in multi-grade classrooms.

A technology director will assist the head of school beginning in year two of operation. The technology director will report to the head of school and will be responsible for the operation and maintenance of all technology equipment and software. The technology director will work as the liaison between the technology vendors and the school with regard to equipment, technology updates, and obtaining bids. The technology director will oversee all delivery and installation of technology equipment and software, will present reports to the school governing body on technology products and services, and will conduct staff training as needed.

DSA will contract accounting and payroll services and fees for a fee of $9,600 during the first year and would increase each year as the enrollment, staff, and services increase. Additional contracted services include all full-scale cognitive evaluations, which will be contracted out to local school psychologists. The cost of an evaluation ranges from $400 to $1,200 depending on the depth of the evaluation and the specific disability. Funds were included in the three-year budget for a limited number of evaluations. The speech language services will be contracted out at the rate of $300.00 per evaluation. Speech services will be contracted at $70.00 per hour. Funds were included in the three-year budget for speech language services based on four percent of the population qualifying for services.

The table below delineates the composition of the school governing body as described in the narrative:

School Governing Body Member Type	Name
Charter Organization	Margie Montgomery
Community	Andrea Economou
Community	Nick Economou
Community	Steve West
Community	TBD

Principal Background Information

Authorized Representative and Principal: *Margie Montgomery*
Confirmed Education History: Master of Education in Educational Leadership, Northern Arizona University, 2001, Bachelor of Science-Apparel and Merchandising, Colorado State University, 1989
Confirmed Employment History: School Director, Desert Star Preschool, September 2011-present; Special Services Director, Mohave Accelerated Learning Center, August 2007-May 2011
Arizona FCC Expires: 6/15/2017
Current or Past Charter Affiliations[1]: None

Principal: *Pamela Cardinal*
Confirmed Education History: Master of Education in Special Education, Grand Canyon University, 2012; Bachelor of Arts, California State University, Northridge, 2000
Confirmed Employment History: Teacher, Mohave Accelerated Elementary School, August 2004-May 2009; House Cleaner, D&L Cleaning and Foreclosure, June 2009-January 2011; Substitute Teacher, Bullhead City Elementary School District, February 2011-May 2013
Arizona FCC Expires: 6/29/2016
Current or Past Charter Affiliations[1]: None

Operational Plan Findings

	Preliminary TRP Scores		Revised TRP Scores	
Operational Plan Score ≥ 95% Meet standard?	No	22 of 24	Yes	23 of 24
Number of "Falls Below" ratings	0		0	
Number of "Approaches" ratings	2		1	

[1] *In this section, "Current or Past Charter Affiliations" refers to a leadership or decision-making role in an existing charter school operation, such as charter representative, charter principal, or school site leader.*

Analysis of Operational Plan

The Operational Plan meets the criteria for approval because it supports full implementation of the Educational Plan through its governance, management, and operational designs. While initially there was some confusion between the bylaws and the narrative related to the number of board members and the current composition of the board, this was clarified adequately in the interview. The Applicant also stated that once the charter is approved, the corporate bylaws will be "fine-tuned" to ensure consistency and to make the distinction between the corporate board and the school governing body.

Additionally, the Applicant provided adequate clarity regarding the planned relationship between the school administration of Desert Star Preschool and DSA. The preschool will serve as a feeder school to DSA and would be separate from DSA once approved.

The proposed head of school, Ms. Montgomery, will lead management and operations for the school, and has a number of oversight responsibilities for which she is adequately qualified. She has been a special services director at the Mohave Accelerated Learning Center, assistant principal at La Senita Elementary School and Pueblo West Middle School, and school director for the Desert Star Preschool. The addition of senior staff, such as the technology director, in subsequent years provides additional support for the head of school.

C. BUSINESS PLAN

The following summary was created from excerpts and summaries of the documents submitted for the Applicant's Business Plan.

Plan Summary

A facility has not yet been identified for DSA, although three options are presented in the application package. All sites are located in either Fort Mohave or Mohave Valley and the Applicant has vetted each and states that these facilities require very little improvement to meet requirements from the county or state for a certificate of occupancy. A fourth option is a soon to be vacant church that "just became available three months ago."

Facility Information

Proposed School Name:	Desert Star Academy
Proposed Location:	Unconfirmed locations: option 1 is located in Mohave Valley adjacent to the Head Start Preschool; option 2 is located in Fort Mohave in a strip mall; and option 3 is to rent four classrooms from the Methodist Church for the first year only in Fort Mohave.
Facility necessary to implement the program:	DSA will require 5,000 square feet in year one, 7,500 square feet in year two and 10,000 square feet in year three. In year one, DSA will need four classrooms to accommodate 20-25 students each, a small teacher workroom and a small office for scholars and parents to meet with members of the administration team. Each classroom needs to be at least 600 square feet.

Budget Summary

The Applicant has secured a loan from a private party for start-up purposes. The re-payment terms consists of the first payment coming due in the fourth year of operation with a 5% return on the investment. The secured funds, in the amount of $10,000 as stated by the Applicant, are available as confirmed by the financial institution. The loan will be repaid in full on the last day of fiscal year 2018. These funds will cover teacher stipends for staff development during the July prior to the first day of school, Wilson Foundations supplies and resources for grades 1-2, teacher purchased classroom instructional supplies, and school building improvements, fees, permits, and insurance.

The three-year operational budgets are based on 95 percent full enrollment projections. In year three, DSA will have a budget balance of $102,589 in preparation for moving to a permanent location that will accommodate a capped enrollment of 500 students. Several facility options are being considered and exact costs are undetermined, however the Applicant allocated 10 percent of the budget towards associated costs.

Key educational program elements are accounted for in the budget, including software such as Acuity for assessing scholar achievement, a digital library program for all grades, and Woodcock Johnson III Academic Achievement testing and scoring materials. Desert Star Preschool will pay for all marketing and advertising products immediately following the charter approval in January and continuing through September 2014.

The table below presents a summary of the budgets by year:

	Startup Period	Year 1	Year 2	Year 3
Projected Enrollment:	N/A	85	140	215
# Students Budget Based On:	N/A	81 (95%)	133 (95%)	204 (95%)
Total Revenue:	$10,000	$471,717	$819,575	$1,266,389
Total Expenditures:	$6,625	$458,100	$770,950	$1,247,889
Ending Balance:	$3,375	$13,617	$30,825	$102,589

Business Plan Findings

	Preliminary TRP Scores		Revised TRP Scores	
Business Plan Score ≥ 95% Meet standard?	Yes	29 of 30	Yes	30 of 30
Number of "Falls Below" ratings	0		0	
Number of "Approaches" ratings	1		0	

Analysis of Business Plan

The Business Plan meets the criteria for approval because the budgets support DSA's educational and operational needs. Essentially, the applicant will use a $10,000 loan, instructional resources acquired through the Desert Star Preschool budgets, and donated items to operationalize the school's opening. A local school will donate a significant amount of classroom and teacher furniture, and overheads have already been donated to the non-profit corporation, Desert Star Academy, Inc. to be used for DSA. The three-year marketing budgets are relatively low because Desert Star Preschool has a marketing budget in which the charter school advertising plan is covered. In year one, $4,000 was budgeted for printing brochures, mailers, banners, and marketing items. This will increase to $6,000 in year two and $8,000 in year three.

The Applicant has allocated sufficient funds for educational needs. For example, $9,000 is budgeted for the Acuity software program to assess scholar achievement and $6,500 was designated to purchase a digital library program for all grades. The digital library can be accessed from home to encourage the parent school partnership. Additional monies were allocated to purchase the Woodcock Johnson III Academic Achievement testing and scoring materials.

Operational costs are also clearly accounted for, and assumptions are based on specific research and evidence. For example, the Applicant allocated funds for legal and consulting services, based on actual quotes from a local consultant and from a local attorney in regards to a retainer and consultant services.

Overall, the budgets are sound, conservative, and support DSA's student recruitment plans, loan repayments, and the educational programming. The Applicant has been resourceful in securing furniture and math and language arts materials from a local school that closed in spring of 2011, and taking advantage of quantity discounts on curriculum resources, supplies, and equipment while operating Desert Star Preschool. These decisions demonstrate the Applicant's capacity to implement the Business Plan as presented.

EVIDENCE OF CAPACITY

Applicant Summary

The table below describes the participation of the Applicant in the In-Person Interview:

Name	Role	Attended Interview?
Margie Montgomery	Corporate Principal, Proposed Head of School	Yes
Pamela Cardinal	Corporate Principal, Proposed Teacher	No

Analysis of Applicant Capacity

The TRP finds that the Applicant has the range of knowledge, skills, and experience needed to open and operate a quality school. Ms. Montgomery's commitment to the process is apparent, as she has "spent 24 months writing the application" based on the academic and social needs of the target community.

The Applicant's commitment and strategic preparation is evident in the Business Plan, which earned a perfect score in the revised submission. The budgets are sound, conservative, and support DSA's student recruitment plans, loan repayments, and its educational programs. The Applicant’s resourcefulness demonstrates tenacity and ability to maximize revenue streams while minimizing expenditures.

During the interview, the TRP asked several questions about the Educational Plan and the Applicant took time to respond to each in detail. The TRP determined that the Applicant's experience with and management of the Desert Star Preschool, the quality of the application package, and the manner in which the Applicant responded to TRP queries in the interview demonstrates the capacity to operate a charter school in Arizona.

BOARD OPTIONS

Option 1: The Board may approve the application package. Staff recommends the following language for consideration: Based upon review of the contents of the portfolio provided for this applicant and the information provided by the representatives of the applicant during consideration, and given it is within the sole discretion of the Board to approve or deny a charter, I move to approve the application package and grant a charter to Desert Star Academy, Inc. to establish Desert Star Academy charter school to serve grades K-6.

Option 2: The Board may deny the application package. The following language is provided for consideration: Based upon a review of the contents of the portfolio provided for this applicant and the information provided by the representatives of the applicant during consideration, and given it is within the sole discretion of the Board to approve or deny a charter, I move to reject the application package and deny the request for a charter of Desert Star Academy, Inc. to establish a charter school for the reason(s) that its application failed to meet the requirements of Title 15, Chapter 1, Article 8 due to: (specific statement made by the Applicant during Board consideration).