Edkey, Inc. - Pathfinder - Entity ID 81045
Schools: Pathfinder Academy

Renewal Executive Summary

Sources of Evidence for this Document

Pursuant to A.R.S. 15-183.I, a charter may be renewed for successive periods of twenty years. The Arizona State Board for Charter Schools (Board) has established a process for the renewal of a charter that is based on affirmative evidence in three areas:

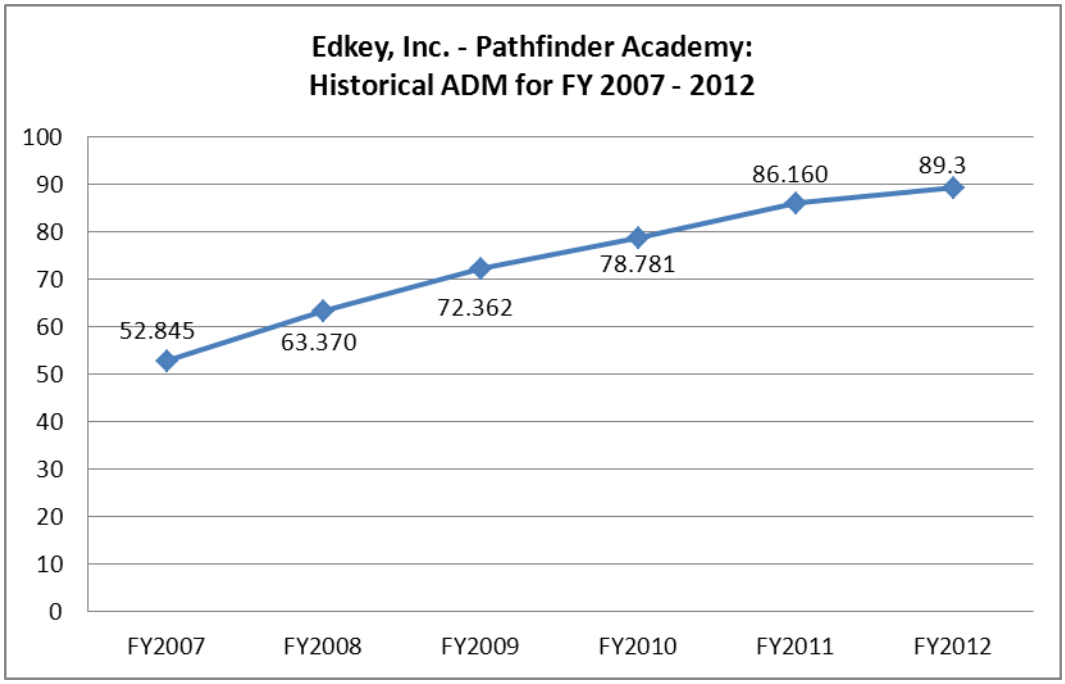
I. Success of the academic program, including academic achievement
II. Viability of the organization, including fiscal management and compliance
III. Adherence to the terms of the charter, including contract and legal compliance

Evaluation of the charter holder's success in these three areas is based on a variety of information that will serve as sources of evidence in determining renewal of a charter. These sources include, but are not limited to:

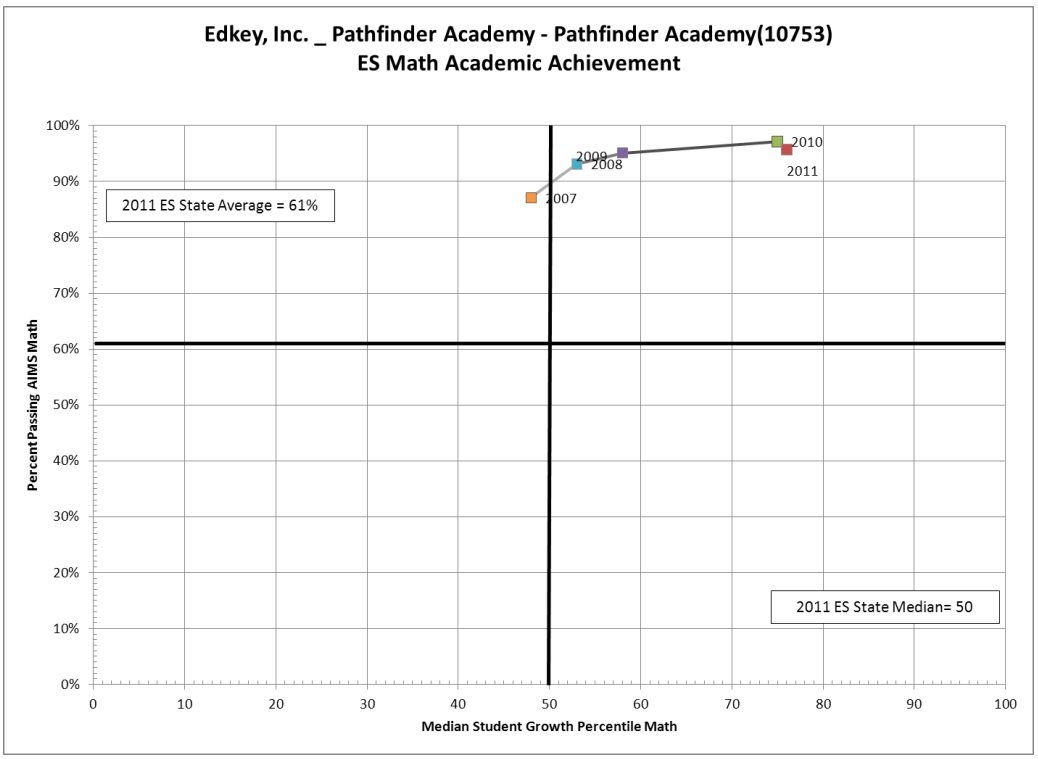
- Pupil achievement data
- Independent financial audits
- Five-year interval summary reviews
- Site visit reports
- Monitoring reports
- Application package for renewal

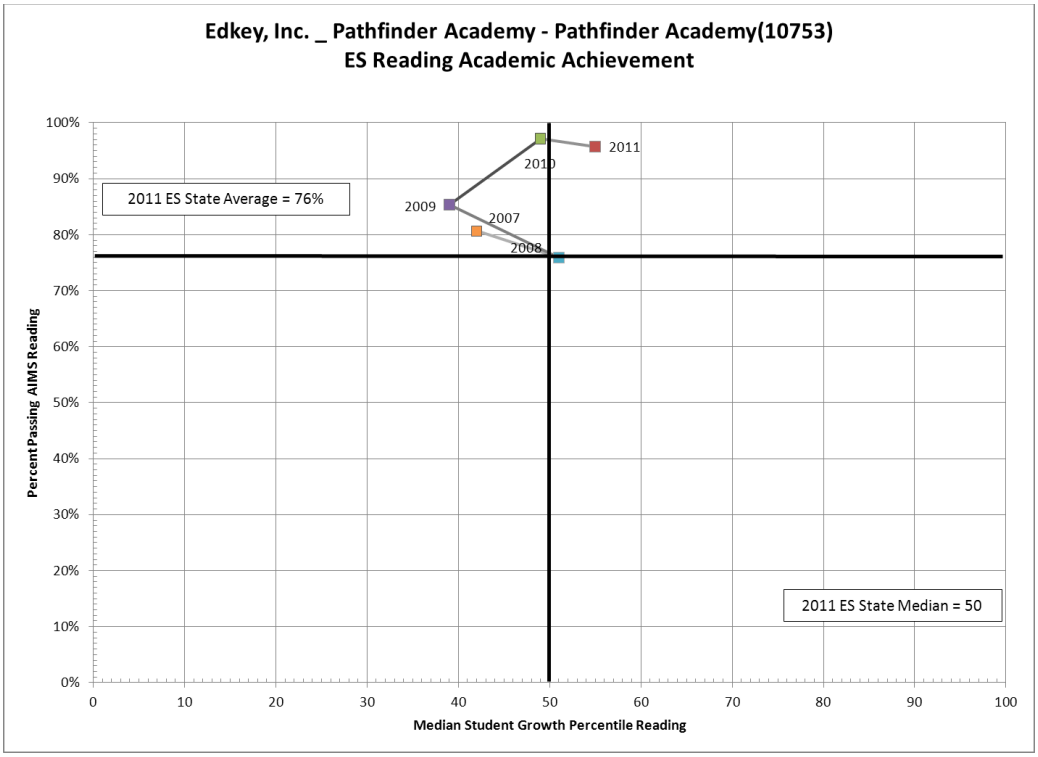
Profile

Edkey, Inc. operates one school serving grades K-8. The graph below shows the charter holder's actual 100th day average daily membership (ADM) for fiscal years 2007-2011 and the fiscal year 2012 ADM or estimated count as of June 11, 2012.



Graphs displaying the academic achievement for the past five years, if available, are provided below and on the following page.





I. Success of the Academic Program

The academic performance of the school operated by the charter holder meets or demonstrates sufficient progress toward the Board's level of adequate academic performance. Therefore, the charter holder was not required to submit a Performance Management Plan.

II. Viability of the Organization

The charter holder meets the standards specified in the *Renewal Application Instructions*. Therefore, the charter holder was not required to submit the charter holder's Financial Sustainability portion of the Detailed Business Plan Section.

III. Adherence to the Terms of the Charter

A. Compliance Matters Requiring Board or Other Agency Action[1]

Over the past six years, there were no items to report.

[1] For more information about the areas of compliance reviewed for this section, please see the "Renewal Guide".

B. Other Compliance Matters[2]

The fiscal year 2008 audit identified an issue that required a corrective action plan (CAP). Specifically, the audit indicated that based on the schedules provided by the charter holder, it could not be determined whether base salaries for teachers have supplanted Classroom Site Fund (CSF) monies. The charter holder submitted a satisfactory CAP.

Additionally, the fiscal year 2007 audit identified an issue that required a CAP. Specifically, the audit indicated that the charter holder received $328,162 in restricted cash donations from Sequoia Choice Schools, LLLP with purpose restrictions equivalent to the restrictions on CSF funds. A.R.S. §15-977 does not permit one charter holder to transfer CSF funds to another charter holder. The charter holder submitted a satisfactory CAP.

For the previous five fiscal years, the charter holder has failed to submit its Annual Financial Report, Budget and annual audit for one or more years.

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.

Staff Recommendation

Based upon the academic performance, fiscal compliance, legal and contractual compliance, and the information in the renewal application package, I move to approve the request for charter renewal and grant a renewal contract to Edkey, Inc. – Pathfinder Academy.

[2] For more information about the areas of compliance reviewed for this section, please see the "Renewal Guide".