

AGENDA ITEM EXECUTIVE SUMMARY: Procedural Steps for Restoring or Revoking Charters Due to an F Letter Grade

Issue

The proposed oversight procedure for schools assigned a letter grade of “F” codifies the steps guided by Arizona Administrative Code (“A.A.C.”) R7-5-601, R7-5-602 and R7-5-606.

Statutory Provisions

The Arizona State Board for Charter Schools (“Board”) is charged by Arizona Revised Statutes (“A.R.S.”) §§ 15-182(E)(1) and (2) and 15-183(R) with granting charter status to qualifying applicants for charter schools and exercising general supervision over the charter schools it sponsors. If a charter school is assigned a letter grade of “F”, the Arizona Department of Education (“Department”) must immediately notify the charter school’s sponsor. A.R.S. § 15-241.02(I). The charter school’s sponsor must either take action to restore the charter school to acceptable performance or revoke the charter school’s charter. *Id.*

On April 23, 2018, the State Board of Education took action to approve the cut scores for the fiscal year (“FY”) 2017 (July 1, 2016 to June 30, 2017) letter grades and issued letter grades to traditional elementary and high schools only. The Board’s procedure is guided by A.A.C. R7-5-601, R7-5-602 and R7-5-606 for schools that have been assigned an “F” letter grade (“F School”) under the school accountability system (A.R.S. § 15-241).

Section I: Background

Statutory Provisions	A.R.S. § 15-241.02(I) requires the Board to either take action to restore an F School to acceptable performance or revoke the F School’s charter.
Timeframe	After the annual assignment of letter grades under A.R.S. §15-241, a review of letter grades is conducted to identify F Schools.
Restore Charter for F Schools	A.A.C. R7-5-602 and R7-5-606, allow the Board to enter into an F School Consent Agreement (“Agreement”) with a charter holder operating an F School to restore the charter to acceptable performance within a specified time period. For all charter holders operating F Schools in FY 2017, the Board is offering the opportunity to restore their charter to acceptable performance.
Board Consideration	A charter holder that does not enter into the Agreement is placed on the regular agenda of the next scheduled meeting for the Board to take action of issuing a Notice of Intent to Revoke the charter.

Section 2: Steps

Steps	Action
1. Charter Holder Notification	After receiving the names of the F Schools, on April 25, 2018 Board staff sent the “Failing School Notification” to each charter holder operating an F School, communicating to the charter holder its requirements under A.A.C. R7-5-602(C) that are due to the Board within 30 days of receiving the notification.
2. Required Submission	<p>In accordance with A.A.C. R7-5-602(C), Board staff will confirm that the charter holder has submitted the following:</p> <ol style="list-style-type: none"> 1. A copy of the written notice provided under A.R.S. § 15-241.02 to the parents or guardians of all students attending the school that the Department has assigned the school a letter grade of “F” because the school is demonstrating a failing level of performance; 2. A list of the names and mailing addresses of the parents or guardians of all students attending the school; and 3. Assurance that the charter school’s public communications making a statement concerning the charter school’s academic performance, including the charter school’s website and promotional materials, accurately describe the charter school’s most current annual achievement profile assigned by the Department. <p>In order to timely execute this Agreement, the Board and charter holder will agree that a financial performance response will not be submitted by the charter holder as required by R7-5-602(C)(4).</p>
3. Consent Agreement	If the charter holder chooses to enter into the Agreement, it must be signed by the charter representative, approved by the charter holder’s board, and received by Board staff by May 29, 2018. The Executive Director has discretion to allow for an extension of the May 29, 2018 deadline upon request of the charter holder. <i>See Appendix A: F School Consent Agreement</i>
4. Execution of Consent Agreement	A charter holder’s Agreement will be signed by the Board President if the charter holder has fulfilled all requirements pursuant to A.A.C. R7-5-602(C)(1-3) and submitted a signed Agreement.
5. Parent Notification	Within 30 days of the signing of the Agreement, the charter holder shall provide to the Board a copy of the notice described in paragraph 15 of the Agreement and a description of how the notice will be provided to parents or guardians of students enrolling in or returning to the School.
6. Board Consideration of Issuing a Notice of Intent to Revoke	<p>A charter holder with an F School that does not sign the Agreement will be placed on the regular agenda of the next scheduled meeting for Board action to issue a Notice of Intent to Revoke. If the Charter Holder does not meet the minimum financial performance expectations, a financial performance response must be submitted within 30 days after receiving the “Failing School Notification”.</p> <p>Pursuant to A.A.C. R7-5-602(E), in making this decision, the Board shall consider all relevant factors including:</p> <ol style="list-style-type: none"> 1. Whether the charter holder complied fully with all requirements pursuant to A.A.C. R7-5-602(C);



	<ol style="list-style-type: none"> 2. Whether the charter holder failed to meet the minimum academic performance expectations based on student achievement measures specified in the Academic Performance Framework; 3. Whether the charter holder has demonstrated, under A.A.C. R7-5-508, sufficient progress toward achieving the minimum academic performance expectations; 4. Whether the charter holder meets the minimum financial performance expectations; 5. Whether the charter holder timely complied with Board requests for information and documents; 6. Whether the charter holder’s historical compliance record indicates repeated or multiple breaches of its charter, other contractual agreements with the Board, federal or state law, or A.A.C. Title 7, Chapter 5; and 7. Any other factor the Board determines has a bearing on the charter holder’s ability or willingness to comply with the provisions of its charter, other contractual agreements with the Board, federal and state law, and Board rules.
<p>7. Board Consideration of Closing the F school</p>	<p>In the Board’s consideration for issuing a Notice of Intent to Revoke the charter, the Board, with the charter holder’s approval, may take action to close an F School in place of revoking the charter if the charter holder operates other schools that are not F Schools.</p>
<p>8. Right to an Informal Settlement Conference</p>	<p>If the charter holder is issued a Notice of Intent to Revoke by the Board, it has the right to request an informal settlement conference pursuant to A.R.S. § 41-1092.06. If an informal settlement conference is requested, the Board must hold the conference within 15 days after receiving the request. The request must be in writing and must be filed with the Board no later than 20 calendar days before the set hearing.</p> <p>To request an informal settlement conference, the charter holder must submit the request to: Arizona State Board for Charter Schools Ashley Berg, Executive Director PO Box 18328 Phoenix, AZ 85009</p>

