

2017



ANNUAL REPORT

ARIZONA CHARTER SCHOOLS ASSOCIATION





“My ability to make an educational choice that best meets the needs of my children has allowed them to grow and thrive. My story — my voice — is one of gratitude.”

Shani Makowski
Imagine Schools Coolidge Parent

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FROM THE DESK OF THE President

Dear Charter School Advocates and Friends,

Reflecting back on 2017, we wanted to highlight how the Arizona Charter Schools Association has worked with our charter community to advance opportunities for our 185,900 students and 556 schools across Arizona.

For decades, our state has been a national leader in education freedom – the radical concept that parents know their own children best and should be empowered to select a school for them that is the right fit.

Parents are using that fundamental right as nearly 1 in 2 K-8 students in Maricopa County don't attend the district school to which they were assigned based on home address. The Association was a partner in this first-of-its kind research. The actual number is almost certainly higher as we only looked at district and charter school students and didn't take into account those who are homeschooled, attend private or online schools, or are enrolled in high school.

Charters and choice are the new norm.

Charter school growth is on the rise, with an increase of over 10,000 students – or 5.9 percent – over the 2015-16 school year. The Association helped support this growth through policy, advocacy, and directly coaching new charter leaders to help them open their doors, and existing leaders to expand their reach.

The movement has flourished into a thriving sector, and education continues to be the top priority for voters and state leaders. Governor Doug Ducey and Arizona's legislature came together in 2017 to put additional money in the classroom and fund schools based on student outcomes.

While this report covers only a few of our achievements, we know more work remains as thousands of families are still waiting for a high quality school. The challenges to expand our charter sector to meet the needs of these families remain in front of us. But to each leader, teacher and charter supporter working daily to improve the lives of our students and lift up communities across Arizona through quality schools, we say thank you.

With gratitude,



Eileen B. Sigmund
President and CEO
Arizona Charter Schools Association



CREATING CONDITIONS FOR A QUALITY CHARTER SECTOR TO FLOURISH & GROW

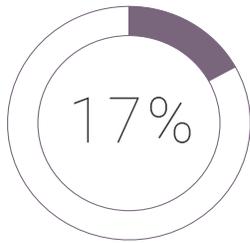
The Arizona Charter Schools Association is a nonprofit membership and professional organization that advocates for and strengthens the autonomy, equity, and quality of Arizona's diverse public charter schools. Founded in 1995, the Association is dedicated to supporting Arizona's thriving public charter school sector. Since its inception, the Association has served as an innovative leader in transforming public education for Arizona's 1.1 million students. Driven by the belief that all Arizona students should have access to a high quality school, the Association is focused on creating a policy environment designed to support leaders and teachers as they work to improve student achievement.



Growth of the Sector



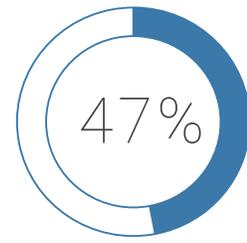
Public charter schools are increasingly the preferred choice among Arizona families, as a record 185,900 students attended 556 Arizona public charter schools in the 2016-17 school year. The sector grew by over 10,000 students – or 5.9 percent – over the 2015-16 school year. That’s about 17 percent of Arizona’s public school students and 30 percent of public schools. By comparison, year-over-year enrollment in Arizona district schools declined. These figures are consistent with a decades-long trend: families are demanding quality schools and Arizona’s charter sector is responding.



185,900 public charter school students, which is 17% of public school students.



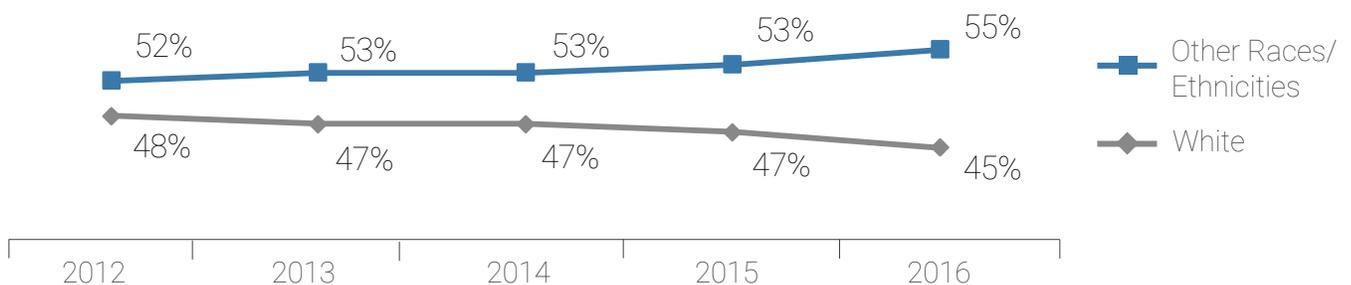
556 public charter schools, which is 30% of public schools in Arizona.

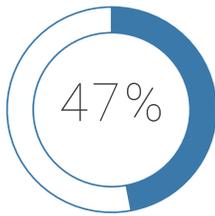


Nearly 1 in 2 students in Maricopa County attend a charter or district school other than the one they were assigned.

INCREASING DIVERSITY OF PUBLIC CHARTER SCHOOLS

Arizona public charter schools serve a “majority minority” student population. In other words, an increasing majority of Arizona’s charter school students are comprised of minority student groups. In fact, the charter school sector currently serves higher percentages of African-American, Asian, and multiracial students than districts. As the graph below shows, 55 percent of Arizona charter students identify in racial and ethnic groups other than white as of October 1, 2016.





Choice IN PUBLIC EDUCATION

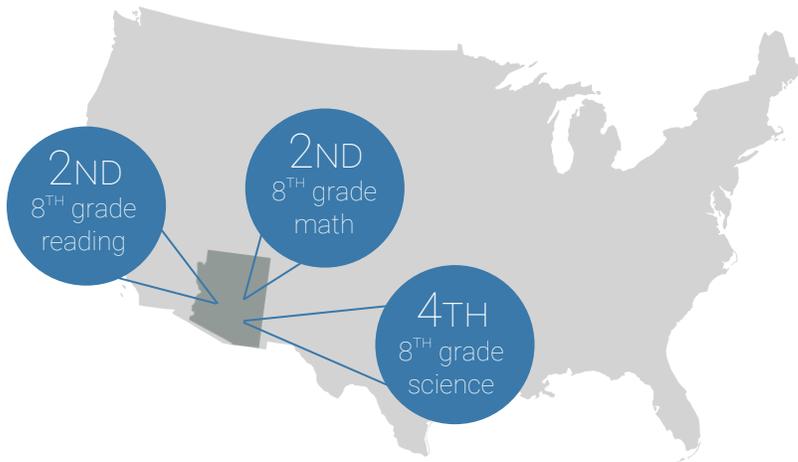
School choice has gone mainstream in Arizona. We commissioned a study that found nearly 1 in 2 K-8 students in Maricopa County don't attend the district school to which they were assigned based on home address. The actual number is almost certainly higher as the analysis only looked at district and charter-school students, and didn't take into account those who are homeschooled, attend private or online schools, or are enrolled in high schools.

Arizona is a leader in the education freedom movement. This analysis points to the extent to which school choice has become engrained in the state's education landscape – even among families that select a district school option. Simply put, Arizona parents like having the power to decide which school is best for their child.

Quality of the Sector

TOP PERFORMERS

State and national results show Arizona's public charter schools are top academic performers. In fact, students across all demographics see higher outcomes when enrolled in Arizona's charter schools.



NATIONAL

If Arizona charters were a state, their students would outperform nearly every other state on the most recent Nations Report Card. On eighth grade mathematics, for instance, Arizona charter students scored in a statistical dead heat with Massachusetts, the highest scoring of the 50 states.

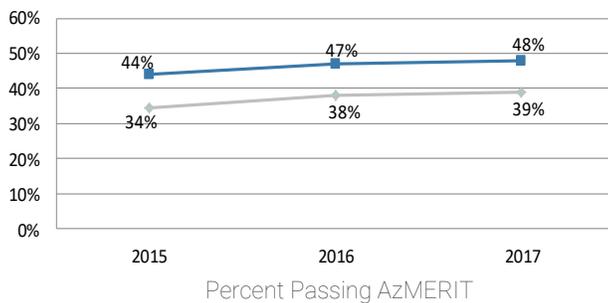
ARIZONA

Public charter school students continue to outperform their peers, as AzMERIT results show charter students scored better than the state average in virtually every grade level and subject area for the third straight year. Charter schools are raising the bar and improving public education in Arizona.

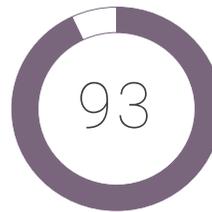
ENGLISH LANGUAGE ARTS



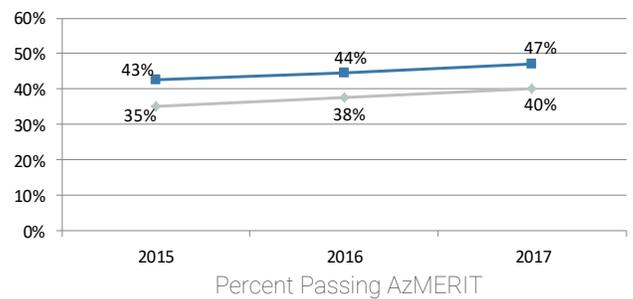
97 of the top 100 Local Education Agencies on the English Language Arts exams are charters, when looking at percent of students passing 2017 AzMERIT.



MATHEMATICS



93 of the top 100 Local Education Agencies on the Math exams are charters, when looking at percent of students passing 2017 AzMERIT.



■ Charter
◆ State



FACT CHECK

Arizona Republic: Charter students of every racial and ethnic group are top performers

The *Arizona Republic* “Fact Checked” a statement from Arizona Charter Schools Association President and CEO Eileen Sigmund and found that it’s true: Arizona’s public charter school students from all racial and ethnic groups outperformed the state average for their subgroup on 2017 AzMERIT.

“AZ Fact Check made that comparison, however, and found the ‘percentage passing’ in each ethnic subgroup in charter schools was higher than district schools,” according to the *Republic*.

“Sigmund’s statement is true using the Association’s methodology and the publicly available data provided by the Arizona Department of Education.”



Voice of the Sector



The Arizona Charter Schools Association serves as the voice of the charter sector working to create a policy environment designed to help public charter schools flourish. We work to proactively tell stories about our charter school leaders, teachers and students, and challenge the misinformation spread by supporters of the status quo.

2017 LEGISLATIVE SESSION

The Association is committed to advancing the public charter school sector in Arizona. We serve a critical role as the leader in Arizona's charter advocacy and as a prominent voice determined to improve the policy environment for our public charter schools.

During the 2017 Legislative Session, the Association's advocacy efforts focused on increasing student funding and ensuring autonomy for leaders to decide how to best allocate their resources. The introduction of legislation to regulate public charter schools is not uncommon. This session was most notable for the widespread introduction of new regulations and reporting, and that many of these bills received a hearing and required significant intervention from the Association. With a 100% success rate, we increased funding for charters, focused on results and reacted quickly to defeat or to amend the bills favorably, and pass charter favorable bills.

150

bills tracked

25

bills actively engaged

10

bills posed serious risk
or represented positive
opportunity

100%

SUCCESS RATE

in defeating, passing or
favorably amending each
of the key bills

#ChartersChangingLives



Website

200,000

visits to our websites

Facebook

120,000

people reached on Facebook

Twitter

3,421

followers on Twitter

Email

1,527

members read our weekly newsletter

Blog

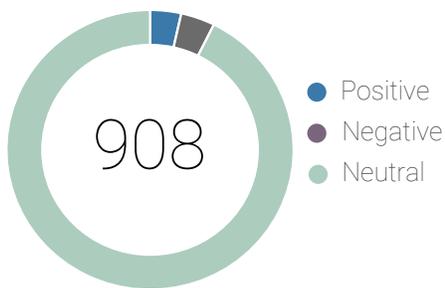
37

stories on our blog

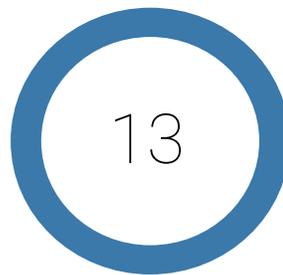


With negative headlines splashed across news outlets, the hard work of our K-12 teachers and leaders can be overshadowed and forgotten. We are correcting that. Charter schools around Arizona are changing lives every day. We work to proactively share the stories that are often overlooked. Our focus is to recognize the efforts of our students, teachers, leaders and community members who dedicate their lives to ensuring student success. Our communications efforts also challenge the misinformation spread by supporters of the status quo, seeking to educate and inform the media and public on the true story of public charter schools.

MEDIA EXPOSURE



The Association garnered 908 media mentions reaching an estimated 183.6 million people.



We placed 13 op-eds in newspapers across Arizona, providing the public a positive view of charter schools.



Our earned media efforts generated an estimated \$1.7 million in advertising value.



2017 CHARTER AWARDS

Charter schools have been part of the fabric of Arizona's public school landscape for over 20 years. Through the hard work and dedication of our teachers, administrators and students, Arizona charter schools are outperforming nearly every state in the country. The Association is proud to celebrate these success stories through our annual Charter Awards, which spotlight outstanding examples of public charter school excellence in teaching, academic leadership, business administration and school-wide success.

School | Transformational Leader | Business Leader | Teacher



Painted Rock Academy
K-8 back-to-basics
school in north Phoenix



Sara Maline Bohn
Principal at Arizona School
for the Arts



Suzanne Drakes
Assist. Executive Director
AAEC Early College High
Schools



Bonnie Weppner
ELL kindergarten teacher
at Pioneer Preparatory
School



Finalists

School – Legacy Traditional School in Chandler

Transformational Leader – Peter Boyle, Director of
Western School of Science & Technology

Business Leader – William Rubasch, COO of Arizona
Charter Schools network

Teacher – Ashley Sweigert, third-grade teacher at
Imagine Elementary at Tempe



Support for the Sector

All students deserve access to a quality education, no matter where they attend school. We support schools to improve educational outcomes through our research-based advocacy, high quality professional development, and results-oriented coaching.

ACADEMIC SUPPORT

We serve schools in a variety of capacities; whether it is through our three-year Quality Schools Program, with custom academic support, or in Charter Board compliance consulting. We are constantly driving student achievement in the state of Arizona. The impact of our work is improved student achievement and high satisfaction from the school leaders and teachers we support.

> 20,000+

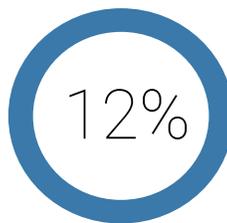
students attend schools that receive our services - this includes professional development and coaching for teachers, as well as administrative and accountability support.

> 57

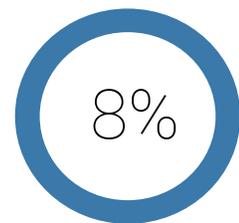
schools receive ongoing professional development and support.



73% of students on average qualify for the National School Lunch Program within the schools we serve, compared to a 58% statewide average.



12% of the students that attend the schools that we support are identified for special educational services, compared to an 11% statewide average.



8% of the students that attend the schools we support are English language learners, compared to a 6% statewide average.



DOUBLE-DIGIT GAINS

From 2015 to 2017, 35% of schools in our Quality Schools Program saw double-digit increases in Math pass rates, compared to 27% of schools statewide.



IMPROVEMENT

The average school in our program improved in English Language Arts and Math from 2015 to 2016 and 2016 to 2017, no matter the number of years in the program.



99%

Of the hundreds of teachers who attend our trainings, 98.9% of them would recommend the sessions to a peer or colleague.

PHOENIX FOCUS

As the nation’s fifth-largest city, Phoenix needs a strong focus on education to drive economic development, civic life and long-term vitality. All children—regardless of income, regardless of background—can excel if given high quality educational opportunities. In collaboration with our partners, our goal is to support 25 excellent public schools by 2020. Collectively, these schools will serve 12,500 students, tripling the number of students attending a high-quality school in the Phoenix urban core.

Since our work began in 2015, we’ve supported 22 schools that collectively serve over 6,000 students. We’re well on the way to reaching our goal for 2020 - 25 additional “A” rated low-income schools serving 12,500 Phoenix students.



OPERATIONS SUPPORT

With limited time and a primary focus on students, many public charter school leaders are looking for business and operations support. The Association's Charter MarketPlace is a tool for school leaders to search, find and review companies who are committed to supporting charter schools. This tool alongside our Corporate Membership program saved member schools over \$1 million.



\$1 million

Corporate partnerships have saved member schools over \$1 million in FY17.



138

We have 138 vetted corporate supporters committed to supporting charter schools.



5

In an effort to support the charter movement nationally, five states have adopted Charter MarketPlace (Arizona, Illinois, Missouri, Idaho, Colorado).

chartermarketplace.org



It's not a secret that teacher recruitment and retention has been an issue in schools across Arizona for the last few years. In an effort to support our members, the Association launched the Arizona Charter Career Center in 2017 to connect schools with prospective employees. This free benefit for our charter members provides a central place for schools to post jobs and connects schools with prospective employees. Prospective employees can apply through their Facebook profile, resume or custom resumes. We also included a resume database within our Career Center for school leaders to search for new candidates.

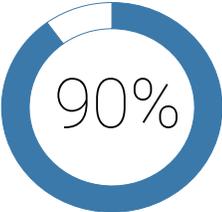
MEMBERSHIP AND FINANCIALS



MEMBERSHIP

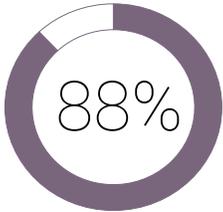
The Arizona Charter Schools Association is, at its core, a membership organization. We amplify charter voices at the state and local level to ensure charter schools have equitable resources and a strong foundation to provide the best education possible for Arizona students and families. We offer school membership, support for developing schools and corporate membership. All of our work is informed by member input.

Schools



488
out of 544
schools were
members in FY17

Students



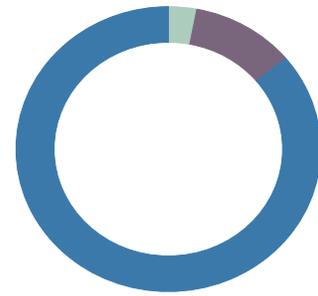
159,291
out of a total 180,777
charter students attended
member schools in FY17



FINANCIALS

The Association works hard on its fiscal viability and strength. The following summary of financial information is derived from the audited statements of our financial position and activities for the past three fiscal years (July 1-June 30). The Association's strong growth in earned revenue has allowed us to spend more on advocacy activities to further advance our mission. Sound fiscal management has helped to control expenses as net assets continue to grow. The Association is well positioned to advance its mission of strengthening the charter sector and improving student achievement.

FY17 EXPENSES



- 86% - charter advocacy and support
- 11% - general and administrative
- 3% - fundraising

STATEMENT OF FINANCIAL POSITION

| | FY2015 | FY2016 | FY2017 |
|---|--------------------|--------------------|--------------------|
| Current Assets | \$1,907,401 | \$2,193,816 | \$2,536,357 |
| Property & Equipment | \$13,822 | \$1,311,833 | \$1,270,181 |
| TOTAL ASSETS | \$1,921,223 | \$3,505,649 | \$3,806,538 |
| Current Liabilities | \$433,080 | \$756,095 | \$724,253 |
| Long-term Debt | \$-- | \$660,835* | \$624,313* |
| TOTAL LIABILITIES & NET ASSETS | \$1,921,223 | \$3,505,649 | \$3,806,538 |

*In FY2016 we became the first charter association in the country to own a facility, establishing permanency in the charter sector.

STATEMENT OF ACTIVITIES

| | FY2015 | FY2016 | FY2017 |
|------------------------------------|--------------------|--------------------|--------------------|
| Grants & Contributions | \$792,735 | \$1,125,000 | \$654,000 |
| Earned Revenue | \$1,741,265 | \$1,882,899 | \$2,187,998 |
| TOTAL REVENUE & SUPPORT | \$2,534,000 | \$3,007,899 | \$2,841,998 |
| Salaries & Related | \$1,538,579 | \$1,646,680 | \$1,774,766 |
| Program Expenses & Other | \$697,740 | \$760,643 | \$697,979 |
| TOTAL EXPENSES | \$2,236,319 | \$2,407,323 | \$2,472,745 |
| CHANGE IN NET ASSETS | \$297,681 | \$600,576 | \$369,253 |



2018 IN FOCUS

The policy environment for Arizona’s public charter sector needs to continue to cultivate innovation and opportunities for Arizona students. As we move forward, we will expand our advocacy impact to promote and enact policies that support this healthy policy environment and defend against attacks on educational freedom. Some of our focus areas include:



FUNDING AND SCHOOL FINANCE EQUITY

Arizona is a robust school choice state where families have the option to choose from a variety of high quality educational options. Although Arizona charter schools represent 30 percent of all public schools, Arizona’s education funding structure is inconsistent with today’s school choice policies. Families should not be penalized for their school choices due to an outdated and inequitable education finance system. We must modernize our education finance system to support the needs of all students in order to prepare an educated, vibrant work force and engaged community.



QUALITY CHARTER SCHOOL GROWTH

Public charter schools have been an option for Arizona families for more than 20 years, but thousands still remain on wait lists. The Association will continue to support, promote and advocate for increased access to additional high-quality choices for all families, including in areas where there is little to no access to other education options.



CHARTER AUTONOMY AND REGULATORY FREEDOM

While students have seen unprecedented academic gains with increased access to educational freedom, public charter school autonomy continues to see an onslaught of attacks. Some have suggested pilfering Arizona’s education freedom by turning charter schools into clones of a bureaucratic system.



STUDENT ACHIEVEMENT AND ACADEMIC ACCOUNTABILITY

The Association continues to support an academic accountability system that accurately and fairly reflects the student achievement of every public school. The Association advocates for the appropriate use of available data to minimize administrative burdens to schools and using student growth measures to accurately describe the impact of schools on student learning.



REPORTING AND TRANSPARENCY

Arizona’s charter schools are expected to provide students and families high-quality options or risk being closed. Because of this high-stakes environment, charters are allowed to operate in a way that cultivate innovation and incentivize efficiency. Charter schools are required to follow state and federal laws and file annual financial statements that are publicly available. It is important not to put unnecessary reporting requirements on the charter sector, but instead inject elements of charter flexibility into other models of education.



ARIZONA CHARTER SCHOOLS ASSOCIATION



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