



Arizona State Board for Charter Schools

Financial Eligibility Criteria for Use Beginning with the Fiscal Year 2019 Audit Dashboard

On July 8, 2019, the Board revised its financial eligibility criteria for expansion requests. Beginning with the fiscal year 2019 audit dashboard, a charter holder is eligible to submit or, as applicable, to be the receiving party in the expansion requests identified in A.A.C. R7-5-402(C)(1)-(7) if all of the following are true:

1. A financial dashboard for the charter holder is available through ASBCS Online.¹
2. The charter holder has not received a summative financial performance rating of "Intervention" for the most recent fiscal year presented on the charter holder's dashboard.²
3. For the most recent fiscal year presented on the Associated Charters' (defined below) dashboards, either 75% or more of all Associated Charters have not received a summative financial performance rating of "Intervention" or no more than one Associated Charter has received a summative financial performance rating of "Intervention."
4. The charter holder meets the academic and operational eligibility requirements.

Maintaining Financial Eligibility

If during the processing of one of the expansion requests identified in A.A.C. R7-5-402(C)(1)-(7) the Board receives the next audit for the charter holder, Associated Charter(s) or both, then Board staff will update the applicable dashboard(s) and reevaluate the charter holder's eligibility based on the most recent audit(s). For a charter holder determined to no longer be financially eligible, Board staff will notify the charter holder and close the request.

Special Exclusions

An Associated Charter may be excluded if the Associated Charter is in its first year of operation and has not yet submitted its first audit to the Board.

Definition

For financial eligibility determination purposes, an Associated Charter is:

- A charter operated by a charter holder that contracts with the same education service provider.
- A charter operated by the same charter holder.
- A charter operated by a charter holder with at least 50% of the officers, directors, members or partners in common, as reflected in the charter contract.

¹ The Board must have received the charter holder's first audit for the charter holder to be eligible to submit an expansion request identified in A.A.C. R7-5-402(C)(1)-(7). If the audit has been submitted but a financial dashboard is not available through ASBCS Online, please contact your Education Program Manager.

² Under the [fiscal year 2020 transition plan](#) approved by the Board on July 8, 2019, a charter holder assigned an "Intervention" rating based on the fiscal year 2019 audit dashboard may choose to submit expansion requests identified in rule if the charter holder meets all other eligibility criteria. Such expansion requests would require review and approval of the Board. Such charter holders whose fiscal year 2020 audit dashboard produces an "Intervention" rating would no longer be eligible to submit expansion requests identified in rule and would be subject to the provisions of A.A.C. R7-5-402(D).