

AGENDA ITEM EXECUTIVE SUMMARY: Proposed Revisions to the Consent Agreement for Schools Assigned an FY 2019 “F” Letter Grade

Issue

Consideration of the Letter Grade Consent Agreement (“Agreement”) for schools assigned a letter grade of “F” in FY 2019 in accordance with Arizona Administrative Code (“A.A.C.”) R7-5-602 and R7-5-606.

Background

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.*

The proposed changes update the Agreement to accommodate schools assigned a letter grade of “F” (“F School”) in FY 2019. *See Appendix A: Letter Grade Consent Agreement*



Appendix A: Letter Grade Consent Agreement



LETTER GRADE CONSENT AGREEMENT

This consent agreement (“Letter Grade Agreement”) is made by and between **CHARTER HOLDER NAME** (“Charter Holder”), a nonprofit corporation organized under the laws of the state of Arizona, and the ARIZONA STATE BOARD FOR CHARTER SCHOOLS (“Board”), collectively referred to herein as the “Parties”. This Letter Grade Agreement has been entered into to restore the charter school, **SCHOOL NAME** (“the School”), to acceptable performance under A.R.S. § 15-241.02(I).

JURISDICTION

The 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 with exercising general supervision over the charter schools it sponsors. Charter schools are established pursuant to Arizona law to provide a learning environment that will improve pupil achievement, to provide additional academic choices for parents and pupils, and to serve as alternatives to traditional public schools. A.R.S. § 15-181(A). Charter holders and charter schools are sponsored by the Board and subject to the statutes and rules provided in A.R.S. Title 15 and the Arizona Administrative Code (“A.A.C.”), Title 7, Chapter 5. The contract between the Board and the Charter Holder requires the Charter Holder to comply with all state, federal and local laws applicable to the operation of a charter school and with all terms of the contract.

In implementing its oversight and administrative responsibility, the Board must ground its action in evidence of the charter holder’s performance under the performance frameworks adopted by the Board. A.R.S. §15-183(R). The Board may revoke the charter of a school it

sponsors at any time if it determines that the charter holder and/or school has breached one or more provisions of its charter, failed to meet the expectations set forth in the performance frameworks or any improvement plans, or has failed to comply with any statute or provision of law from which the charter school is not exempt. A.R.S. §§ 15-183(I); A.A.C. R7-5-601(D). The final determination of whether to revoke a charter shall be made at a public hearing called for such purpose. A.R.S. § 15-183(I)(5). Alternatively, the Board may enter into a consent agreement with the charter school to resolve its noncompliance. A.A.C. R7-5-606(A).

The Arizona Department of Education (“ADE”) annually compiles achievement profiles from which it assigns letter grades for all Arizona charter schools and school districts. A.R.S. § 15-241(A). A school can earn a letter grade of “A”, “B”, “C”, “D”, or “F”. A.R.S. § 15-241(G). A letter grade of “A” demonstrates an excellent level of performance, and a letter grade of “F” demonstrates a failing level of performance. *Id.* A letter grade of “F” may also be assigned to a school that is among the "persistently lowest-achieving schools in the state on a majority of the performance indicators of the annual achievement profile under the federal school accountability requirements pursuant to section 1003(g) of the elementary and secondary education act (20 United States Code section 6303).” *Id.*

If notified by the Arizona Department of Education (“ADE”) that a charter school has been assigned a letter grade of “F”, the Board shall require the charter holder to appear before the Board. A.A.C. R7-5-602. The Board shall issue a notice of intent to revoke the charter or enter into a consent agreement with the charter holder to restore the charter and the school to acceptable performance. A.R.S. § 15-241.02(I); A.A.C. R7-5-602(A). In determining whether to revoke the charter or restore the charter school to acceptable performance, the Board shall consider all relevant factors, including those outlined in A.A.C. R7-5-602(E).

RECITALS

A. Pursuant to A.R.S. § 15-181, the Charter Holder operates [NAME OF THE SCHOOL] (“School”) pursuant to a XX-year contract (“Charter”) effective DATE between the Charter Holder and the Board.

B. Pursuant to A.R.S. § 15-183 and the Charter, the Board sponsors the Charter Holder to operate INSERT # SCHOOL SITES school site(s) that serves students in grades INSERT GRADE LEVELS.

C. NAME(S) is the Charter Representative and person authorized to execute

D. On [DATE OF NOTIFICATION], ADE notified the Board that the School was assigned the letter grade of “F” for fiscal year (“FY”) 2019 (July 1, 2018 through June 30, 2019).

E. On INSERT DATE, the Board provided the Charter Holder with written notice that the School had received a letter grade of “F” for the FY 2019 and of its duties under A.A.C. R7-5-602(C) (“Failing School Notification”).

F. Due to the School having received a letter grade of “F” for FY 2019, the Board is required to issue a notice of intent to revoke the Charter or enter into a consent agreement to restore the charter and the school to acceptable performance. A.R.S. § 15-241.02(I); A.A.C. R7-5-602(A).

G. At the INSERT DATE Board meeting, the Board approved a motion to restore the School to acceptable performance through a consent agreement for the following reasons:

- It is in the best interest of the students choosing to attend the School that the School improves its students’ academic performance.
- The Charter Holder has satisfied all requirements contained in A.A.C. R7-5-602(C), in the manner specified in the Failing School Notification dated [DATE OF NOTIFICATION].

AGREEMENT TERMS

The Charter Holder and the Board agree to the following terms:

1. Due to the School receiving a letter grade of “F” for FY 2019, the Board and the Charter Holder have determined that it is in the best interest of the Parties enter into a consent agreement to restore the School to an acceptable performance.

2. In order for the Board to determine that the School has been restored to acceptable performance, the School must demonstrate improved academic achievement through the assignment of a letter grade other than “F” for FY 2020 (July 1, 2019 through June 30, 2020), FY 2021 (July 1, 2020 through June 30, 2021), and FY 2022 (July 1, 2021 through June 30, 2022).

3. If the School is assigned the letter grade of “F” for FY 2020 (July 1, 2019 through June 30, 2020), the School has failed to demonstrate that it has been restored to acceptable performance. In that event, the Charter Holder shall surrender the Charter and terminate its operation of the School on or before June 30, 2021.

4. If the School is assigned the letter grade of “F” for FY 2021 (July 1, 2020 through June 30, 2021), it has failed to demonstrate that it has been restored to acceptable performance. In that event, the Charter Holder shall surrender its Charter and terminate its operation of the School on or before June 30, 2022.

5. If the School is assigned the letter grade of “F” for FY 2022 (July 1, 2021 through June 30, 2022), it has failed to demonstrate that it has been restored to acceptable performance. In that event, the Charter Holder shall surrender its Charter and terminate its operation of the School on or before June 30, 2023.

6. For the duration of this Agreement, the Charter Holder agrees to provide written notice of the terms described in paragraphs 1 through 5 to the parents or guardians of all students upon their enrollment in the School(s). Written notice is to be provided for students newly enrolled

or returning to the School(s). Within 30 days of the signing of this Agreement, the Charter Holder shall provide to the Board a copy of the notice described in this paragraph and a description of how the notice will be provided to parents or guardians of students enrolling in or returning to the School.

7. Within 30 business days of receiving written notice from the Board that, pursuant to paragraphs 1 through 5, the Charter Holder is required to surrender its Charter and terminate its operation of the School(s), the Charter Holder shall notify the parents or guardians of students who are attending or enrolled that the School will be closing at the end of the current school year and provide the Board with a copy of the notice sent to the parents or guardians.

8. The Charter Holder expressly waives all notice of the right to appeal and to any administrative hearing or other appeal that may be available under state law and Board rule for the surrender of its Charter, the termination of its operation of the School(s), and the terms of this Agreement.

GENERAL TERMS AND CONDITIONS

9. By entering into this Agreement, the Charter Holder agrees that the Recitals set forth in this Agreement are true and correct and understands that it is relinquishing any right to contest the Recitals.

10. This Agreement does not limit any actions the Board may take under the law if it determines that the Charter Holder is not in compliance with its Charter, the performance frameworks, and/or state or federal law for any reason other than the facts that form the basis for this Agreement.

11. This Agreement constitutes the entire agreement between the Parties with respect to the surrender of the Charter and termination of the operation of the School due to receiving a letter grade of “F” for FY 2019 and may not be modified or amended except by written instrument, signed by both the Charter Holder and the Board.

12. The Charter Holder waives all notice of the right to an appeal and to any appeal related to the terms and conditions of this Agreement and its defense on the Recitals set forth in this Agreement.

13. Should any provision of this Agreement be held invalid or unenforceable, such illegality or unenforceability shall not invalidate the whole of this Agreement. In that event, the Agreement shall be construed as if it did not contain the illegal part, and the rights and obligations of the Parties shall be construed and enforced accordingly.

14. This Agreement shall be governed by and construed in accordance with the law of the State of Arizona. Venue for any action to enforce this Agreement shall be in Maricopa County, Arizona.

15. This Agreement is not binding on either party until the Parties' governing boards accept it by the number of votes necessary to pass a measure and at a public meeting. The Agreement is effective immediately upon its approval and execution by the authorized representatives of each party.

16. This Agreement may be executed in one or more counterparts, each of which is equally admissible in evidence and each of which shall fully bind each party who has executed it. The persons executing this Agreement on behalf of the Parties hereby represent and guarantee that they have been authorized to do so, on behalf of themselves and the entity they represent. Each Party agrees to deliver an executed copy of this Agreement to the other Party.

17. This Agreement is binding upon and inures to the benefit of the Parties and their respective successors and assignees.

18. The Charter Holder understands that it has the legal right to consult with an attorney prior to entering into this Agreement.

19. The Parties shall be responsible for their own attorneys' fees and costs in this matter.

ARIZONA STATE BOARD FOR CHARTER SCHOOLS

By: **Name of Board President**

President, Arizona State Board for Charter Schools

Date: _____

NAME OF CHARTER HOLDER

By: **Name of Charter Representative**

Charter Representative, **Name of Charter Holder**

Date: _____