
AGENDA ITEM: Proposed Rubric for Initial Financial Response

Issue

Under the Board's Financial Performance Framework, Board staff will review the initial financial response submitted by a charter holder assigned an "Intervention" summative financial performance rating and prepare a report. On the agenda for the Board's consideration today is the proposed rubric that Board staff will use to review an initial financial response. During its meeting on September 9, 2019, the Board directed staff to provide stakeholders with an additional five-day window for public comment on the rubric. During this additional opportunity for public comment, the Board received five public comments.

Rubric for Initial Financial Response

Pursuant to A.A.C. R7-5-509(C), Board staff's report on the initial financial response will answer each of the following questions and briefly explain the basis for each answer:

1. Is there a sound explanation for why the charter holder underperformed on the Financial Performance Framework's measures?
2. Did the charter holder perform at a level just below or well below the Financial Performance Framework's measure(s) targets?
3. In what direction is the charter holder's financial health heading?
4. Do the charter holder's proposed or implemented actions address the problems that contributed to or caused the charter holder's underperformance on the Financial Performance Framework's measures and are they realistic to implement?

The rubric found in *Appendix A: Proposed Rubric for Report on Initial Financial Response* identifies the information and criteria Board staff will use to evaluate the initial financial response.

Opportunities for Public Comment

In accordance with the Board's Procedures for Rule and Policy Adoption, the proposed substantive changes were open for public comment. The first and additional opportunity for public comment were sent to the Board's newsletter distribution list, which includes all charter representatives, and was circulated through the Board's website. The additional opportunity for public comment was also circulated through social media.

- The first opportunity for public comment occurred from August 12 through September 2, 2019. One written response was received during this public comment period and was shared with the Board at its September 9, 2019 meeting.
- The second opportunity for public comment occurred at the Board's September 9, 2019 meeting. No public comment was received during this meeting.
- The additional opportunity for public comment occurred from September 13, 2019 through September 20, 2019.

During the additional opportunity for public comment, written feedback was submitted by the organizations identified below and has been included with these meeting materials (see *Appendix B: Public Comment*). It can be accessed using the links provided in bold font.

- Arizona Charter Schools Association (**ACSA**)
- Center for Academic Success (**CAS**)
- Cholla Academy (**Cholla**)
- Grand Canyon Institute (**GCI**)
- Riverbend Preparatory Academy (**Riverbend**)

The table on the next page either includes or summarizes each public comment received by Board staff.

| Source | Comment/Summary |
|-----------|--|
| ACSA | <p>“Is there documentation or validity evidence behind the various levels on the rubric? Do we know how these measures are impacted by a massive perturbation in the system like the Great Recession? Finance is not my strongest area, but I have worked with a lot of rubrics. Usually there is some background evidence showing how the measures at different levels discriminate between poor and optimal performance. I assume that background work is underway or completed.”</p> |
| CAS | <p>“I am still concerned about when an increase in spending occurs. i.e. I am building an additional building on one of my sites. I am able to building this out of case reserves. However, the cost is approximately 1.7 million. I worry that the board will see this as a negative. We believe this is a positive. We have set aside dollars for almost 20 years to allow us to not go into debt to add to our capital improvements. Will this be taken into consideration prior to placing us on the underperforming list??? We are always very close to our max enrollment cap – and income is more than enough to cover our expenses per year.”</p> |
| Cholla | <p>“Charters are audited yearly, and that information is sent to the Charter Board. The audit show how the charter used its funds. I believe that finances should be transparent to the public it serves and to the Charter Board who authorizes the charter. The financial health of the charter includes not only how much funding is received versus expenditures, but also needs to take into account if the school saved money toward large purchases. Our school is financially very healthy, but a few years ago, we spent slightly more than we received one year because we had saved for a large purchase and had the funds to do it in the bank. We had the funds to make the purchase without putting the charter in any danger financially. Yet, because of the Charter Board’s requirement to spend withing the yearly funding amount, we did not meet the financial requirements set by the Charter Board. One of our school goals is to not have debt, so we save for these purchases and then spend the money when we have the extra available. To us, it is wise stewardship of the resources. Maybe there is a way the Charter Board can adjust for this type of financial situation.”</p> |
| GCI | <p>GCI agreed with or commended 19 elements of the rubric.</p> <p>For the Average Daily Membership measure portion of the “Just Below” column of the rubric’s second question, “GCI maintains that this is too generous a spread over too short a time period to identify when declining enrollment jeopardizes a charters’ sustainability. We are happy to review our data with the Charter Board that underpins this concern.” A related comment was included with the rubric’s third question – “GCI maintains that an ADM decrease of up to 15% is too generous and recommends that this be capped at 10%.”</p> <p>In the “Well Below” column of the rubric’s second question, GCI stated, “GCI has found that the following two indicators signal a charter’s pending financial collapse:</p> <ul style="list-style-type: none"> • Net Loss per ADM is -\$1000 or more • Net Deficit per ADM is -\$1000 or more.” <p>Further, GCI recommends that:</p> <ul style="list-style-type: none"> ○ “...audits must be comprehensive, not consolidated and generalized” and “...the Board has the authority to require a comprehensive audit package.” ○ “...the Charter Board compare a charter’s audit with its AFR to ensure that information in both correlate.” ○ “...the Charter Board also consider the opening of a new charter in the same zip code as a factor when an academically performing charter receives an Intervention Rating.” |
| Riverbend | <p>“I was at the ASBCS meeting on 9/9 and heard the president inquire why there was such a low response rate to the proposed rubric. Following a review, I would suggest providing more background to the reader. I will do a second read over the weekend but the difficulty is without background, it seems like there is not clear alignment between the question, factors, and how the third and fourth columns in the rubric will be used. A more clear objective rating scale would improve this rubric. I know that these are general examples and will provide the board with more detailed examples after a deeper review.”</p> |

Appendix A:
Proposed Rubric for Report on Initial Financial Response

Rubric for Reviewing the Initial Financial Response

The following information and criteria will be used by Board staff to evaluate the Initial Financial Response submitted by a charter holder that receives an Intervention Rating. A.A.C. R7-5-509(C) specifies the questions included below that Board staff must answer in Board Staff’s Report on the Initial Financial Response.

| IS THERE A SOUND EXPLANATION FOR WHY THE CHARTER HOLDER UNDERPERFORMED ON THE FINANCIAL PERFORMANCE FRAMEWORK’S MEASURES? | | | |
|--|---|---|--|
| DOCUMENTATION REVIEWED | FACTORS CONSIDERED BY BOARD STAFF | QUESTION ANSWERED “Yes” | QUESTION ANSWERED “No” |
| <ul style="list-style-type: none"> ▪ INITIAL FINANCIAL RESPONSE, INCLUDING SUMMARY OF FACTORS THAT CAUSED OR CONTRIBUTED TO THE CHARTER HOLDER’S FINANCIAL PERFORMANCE IN THE MOST RECENT AUDITED FISCAL YEAR ▪ AUDITS SUBMITTED TO THE BOARD ▪ ADMS46-1 REPORTS AVAILABLE THROUGH DEPARTMENT’S WEBSITE | <ul style="list-style-type: none"> ▪ DOES THE INITIAL FINANCIAL RESPONSE INCLUDE AN EXPLANATION FOR WHY THE CHARTER HOLDER UNDERPERFORMED IN THE MOST RECENT AUDITED FISCAL YEAR? ▪ COULD THE CAUSE OR CONTRIBUTING FACTORS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE HAVE AFFECTED THE CHARTER HOLDER’S PERFORMANCE ON THE MEASURE(S) RATED “BELOW STANDARD?” ▪ AS APPLICABLE, DOES INFORMATION INCLUDED IN THE CHARTER HOLDER’S AUDITS OR ADMS46-1 REPORTS CONTRADICT THE CAUSE’S OR CONTRIBUTING FACTOR’S EFFECT ON THE MEASURE(S) RATED “BELOW STANDARD?” | <p>ALL THE FOLLOWING ARE TRUE:</p> <ul style="list-style-type: none"> ○ THE CHARTER HOLDER PROVIDES AN EXPLANATION FOR WHY IT UNDERPERFORMED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ THE FACTORS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE ARE RELEVANT TO THE MEASURES ON WHICH THE CHARTER HOLDER UNDERPERFORMED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ THE FACTORS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE DO NOT CONTRADICT INFORMATION IN THE CHARTER HOLDER’S AUDITS OR ADMS46-1 REPORTS. | <p>ONE OR MORE OF THE FOLLOWING ARE TRUE:</p> <ul style="list-style-type: none"> ○ THE CHARTER HOLDER DOES NOT PROVIDE AN EXPLANATION FOR WHY IT UNDERPERFORMED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ THE FACTORS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE ARE NOT RELEVANT, IN WHOLE OR IN PART, TO THE MEASURES ON WHICH THE CHARTER HOLDER UNDERPERFORMED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ ONE OR MORE FACTORS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE CONTRADICT INFORMATION IN THE CHARTER HOLDER’S AUDITS OR ADMS46-1 REPORTS. |
| DID THE CHARTER HOLDER PERFORM AT A LEVEL JUST BELOW OR WELL BELOW THE FINANCIAL PERFORMANCE FRAMEWORK’S MEASURE(S) TARGETS? | | | |
| DOCUMENTATION REVIEWED | FACTORS CONSIDERED BY BOARD STAFF | QUESTION ANSWERED “JUST BELOW” | QUESTION ANSWERED “WELL BELOW” |
| <ul style="list-style-type: none"> ▪ MOST RECENT AUDITED FISCAL YEAR FINANCIAL DASHBOARD ▪ Measures and Summative Performance Ratings Guide | <ul style="list-style-type: none"> ▪ SINCE PERFORMANCE ON THE FINANCIAL FRAMEWORK’S GOING CONCERN AND DEFAULT MEASURES IS BASED ON THE PRESENCE (“BELOW STANDARD”) OR ABSENCE (“MEETS STANDARD”) OF CERTAIN DISCLOSURE IN THE AUDIT, “JUST BELOW” OR “WELL BELOW” ARE NOT APPLICABLE. ▪ IF THE CHARTER HOLDER RECEIVED “BELOW STANDARD” RATINGS ON ONLY THE GOING CONCERN MEASURE, DEFAULT MEASURE OR BOTH, THEN THIS QUESTION WILL BE ANSWERED “NOT APPLICABLE.” | <p>FOR THE FINANCIAL FRAMEWORK’S FOUR CALCULATED MEASURES, ALL THE FOLLOWING, AS APPLICABLE, ARE TRUE FOR THE MEASURE(S) RATED “BELOW STANDARD:”</p> <ul style="list-style-type: none"> ○ UNRESTRICTED DAYS LIQUIDITY IS AT LEAST 10 DAYS BUT FEWER THAN 15 DAYS. ○ ADJUSTED NET INCOME DIVIDED BY TOTAL REVENUES IS BETWEEN NEGATIVE 5% AND NEGATIVE 9.99%. ○ THE LEASE ADJUSTED DEBT SERVICE COVERAGE RATIO IS AT LEAST 0.9 BUT LESS THAN 1.0. ○ THE CHARTER HOLDER’S PERFORMANCE ON THE AVERAGE DAILY MEMBERSHIP MEASURE SHOWS A DECREASE OF A) 15% TO 19.99% FOR A SMALL OR MEDIUM CHARTER HOLDER OR B) 10% TO 14.99% FOR A LARGE CHARTER HOLDER. | <p>FOR THE FINANCIAL FRAMEWORK’S FOUR CALCULATED MEASURES, ONE OR MORE OF THE FOLLOWING, AS APPLICABLE, ARE TRUE FOR THE MEASURE(S) RATED “BELOW STANDARD:”</p> <ul style="list-style-type: none"> ○ UNRESTRICTED DAYS LIQUIDITY IS FEWER THAN 10 DAYS. ○ ADJUSTED NET INCOME DIVIDED BY TOTAL REVENUES IS LESS THAN OR EQUAL TO NEGATIVE 10%. ○ THE LEASE ADJUSTED DEBT SERVICE COVERAGE RATIO IS LESS THAN 0.9. ○ THE CHARTER HOLDER’S PERFORMANCE ON THE AVERAGE DAILY MEMBERSHIP MEASURE SHOWS A DECREASE OF A) 20% OR MORE FOR A SMALL OR MEDIUM CHARTER HOLDER OR B) 15% OR MORE FOR A LARGE CHARTER HOLDER. |

| IN WHAT DIRECTION IS THE CHARTER HOLDER'S FINANCIAL HEALTH HEADING? | | | |
|---|--|---|--|
| DOCUMENTATION REVIEWED | FACTORS CONSIDERED BY BOARD STAFF | QUESTION ANSWERED "IMPROVING" | QUESTION ANSWERED "STABLE OR WORSENING" |
| <ul style="list-style-type: none"> ▪ QUARTERLY FINANCIAL REPORTS THROUGH AT LEAST THE QUARTER ENDING DECEMBER 31⁵ AND BUDGETS SUBMITTED WITH THE INITIAL FINANCIAL RESPONSE AND QUARTERLY FINANCIAL REPORTS ▪ INITIAL FINANCIAL RESPONSE'S SCHEDULE OF DEBT AND LEASE OBLIGATIONS AND THE CURRENT OUTSTANDING BALANCES FOR EACH ▪ MOST RECENT AUDITED FISCAL YEAR FINANCIAL DASHBOARD ▪ AUDITS SUBMITTED TO THE BOARD ▪ ADMS46-1 REPORTS AVAILABLE THROUGH DEPARTMENT'S WEBSITE | <ul style="list-style-type: none"> ▪ FOR THE DEFAULT, UNRESTRICTED DAYS LIQUIDITY AND ADJUSTED NET INCOME MEASURES, THE CHARTER HOLDER'S CURRENT PERFORMANCE BASED ON THE QUARTERLY FINANCIAL REPORTS THROUGH AT LEAST THE QUARTER ENDING DECEMBER 31⁵ AND BUDGETS. ▪ INFORMATION DISCLOSED IN THE INITIAL FINANCIAL RESPONSE AND THE AUDITS REGARDING THE CHARTER HOLDER'S DEBT AND LEASE OBLIGATIONS. ▪ AS APPLICABLE, INFORMATION DISCLOSED IN THE AUDITS REGARDING THE CHARTER HOLDER'S PERFORMANCE ON THE DEFAULT AND GOING CONCERN MEASURES. ▪ THE CHARTER HOLDER'S CURRENT PERFORMANCE ON THE AVERAGE DAILY MEMBERSHIP MEASURE. IF THE CURRENT FISCAL YEAR'S ADMS46-1 REPORT IS NOT AVAILABLE ON THE DEPARTMENT'S WEBSITE, BOARD STAFF WILL USE THE CHARTER HOLDER'S ESTIMATED COUNT IN THE CALCULATION. | <p>ALL THE FOLLOWING ARE TRUE:</p> <ul style="list-style-type: none"> ○ THE GOING CONCERN MEASURE WAS NOT RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR. ○ THE DEFAULT MEASURE WAS NOT RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR <u>OR</u> THE INITIAL FINANCIAL RESPONSE SUPPORTS THE CHARTER HOLDER HAS CURED THE DEFAULT(S) IDENTIFIED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ IF APPLICABLE, THE UNRESTRICTED DAYS LIQUIDITY MEASURE WAS RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR, <u>AND</u> BASED ON THE QUARTERLY FINANCIAL REPORTS THROUGH AT LEAST THE QUARTER ENDING DECEMBER 31⁵, THE CHARTER HOLDER'S CURRENT PERFORMANCE AS OF THE QUARTER END DATE HAS IMPROVED TO A "MEETS STANDARD" OR "APPROACHES STANDARD." ○ IF APPLICABLE, THE ADJUSTED NET INCOME MEASURE WAS RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR, <u>AND</u> BASED ON THE INITIAL FINANCIAL RESPONSE'S BUDGETS AND THE QUARTERLY FINANCIAL REPORTS THROUGH AT LEAST THE QUARTER ENDING DECEMBER 31⁵, THE CHARTER HOLDER'S CURRENT FISCAL YEAR PERFORMANCE IS PROJECTED TO IMPROVE TO A "MEETS STANDARD" OR "APPROACHES STANDARD." ○ THE NUMBER OF MEASURES PROJECTED TO BE RATED "BELOW STANDARD" BASED ON CURRENT PERFORMANCE IS LESS THAN THE NUMBER OF MEASURES RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR.⁶ ○ BASED ON THE INITIAL FINANCIAL RESPONSE, THE CHARTER HOLDER'S NON-FACILITY DEBT HAS REMAINED THE SAME OR DECREASED IN THE CURRENT FISCAL YEAR. ○ FOR THE CURRENT FISCAL YEAR, THE CHARTER HOLDER'S PERFORMANCE ON THE AVERAGE DAILY MEMBERSHIP MEASURE SHOWS EITHER: A) AN INCREASE, B) A DECREASE OF LESS THAN 15% FOR A SMALL OR MEDIUM CHARTER HOLDER, OR C) A DECREASE OF LESS THAN 10% FOR A LARGE CHARTER HOLDER. | <p>ONE OR MORE OF THE FOLLOWING ARE TRUE:</p> <ul style="list-style-type: none"> ○ THE GOING CONCERN MEASURE WAS RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR. ○ THE DEFAULT MEASURE WAS RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR <u>AND</u> THE INITIAL FINANCIAL RESPONSE DOES NOT SUPPORT THAT THE CHARTER HOLDER HAS CURED THE DEFAULT(S) IDENTIFIED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ IF APPLICABLE, THE UNRESTRICTED DAYS LIQUIDITY MEASURE WAS RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR, <u>AND</u> BASED ON THE QUARTERLY FINANCIAL REPORTS THROUGH AT LEAST THE QUARTER ENDING DECEMBER 31⁵, THE CHARTER HOLDER'S CURRENT PERFORMANCE AS OF THE QUARTER END DATE REMAINS RATED "BELOW STANDARD." ○ IF APPLICABLE, THE ADJUSTED NET INCOME MEASURE WAS RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR, <u>AND</u> BASED ON THE INITIAL FINANCIAL RESPONSE'S BUDGETS AND THE QUARTERLY FINANCIAL REPORTS THROUGH AT LEAST THE QUARTER ENDING DECEMBER 31⁵, THE CHARTER HOLDER'S CURRENT FISCAL YEAR PERFORMANCE IS PROJECTED TO REMAIN RATED "BELOW STANDARD." ○ THE NUMBER OF MEASURES PROJECTED TO BE RATED "BELOW STANDARD" BASED ON CURRENT PERFORMANCE IS EQUAL TO OR MORE THAN THE NUMBER OF MEASURES RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR.⁶ ○ BASED ON THE INITIAL FINANCIAL RESPONSE, THE CHARTER HOLDER'S NON-FACILITY DEBT HAS INCREASED IN THE CURRENT FISCAL YEAR. ○ FOR THE CURRENT FISCAL YEAR, THE CHARTER HOLDER'S PERFORMANCE ON THE AVERAGE DAILY MEMBERSHIP MEASURE SHOWS A DECREASE OF A) 15% OR MORE FOR A SMALL OR MEDIUM CHARTER HOLDER OR B) 10% OR MORE FOR A LARGE CHARTER HOLDER. |

⁵ If based on A.A.C. R7-5-509(B), the charter holder's Initial Financial Response must include a quarter ending subsequent to December 31, then the latest quarter end date will be used by Board staff to determine the answer to the question that asks, "In what direction is the charter holder's financial health heading?"

⁶ For this criterion, the measures considered are Default, Unrestricted Days Liquidity and Adjusted Net Income.

DO THE CHARTER HOLDER’S PROPOSED OR IMPLEMENTED ACTIONS ADDRESS THE PROBLEMS THAT CONTRIBUTED TO OR CAUSED THE CHARTER HOLDER’S UNDERPERFORMANCE ON THE FINANCIAL PERFORMANCE FRAMEWORK’S MEASURES AND ARE THEY REALISTIC TO IMPLEMENT?

| DOCUMENTATION REVIEWED | FACTORS CONSIDERED BY BOARD STAFF | QUESTION ANSWERED “Yes” | QUESTION ANSWERED “No” |
|--|--|--|---|
| <ul style="list-style-type: none"> ▪ INITIAL FINANCIAL RESPONSE, INCLUDING SUMMARY OF ACTIONS TAKEN OR BEING TAKEN TO IMPROVE THE CHARTER HOLDER’S FINANCIAL PERFORMANCE IN THE CURRENT FISCAL YEAR ▪ AUDITS SUBMITTED TO THE BOARD ▪ ADMS46-1 REPORTS AVAILABLE THROUGH DEPARTMENT’S WEBSITE | <ul style="list-style-type: none"> ▪ DOES THE INITIAL FINANCIAL RESPONSE INCLUDE PROPOSED OR IMPLEMENTED ACTIONS TO ADDRESS THE PROBLEMS THAT CONTRIBUTED TO THE CHARTER HOLDER’S UNDERPERFORMANCE IN THE MOST RECENT AUDITED FISCAL YEAR? ▪ COULD THE PROPOSED OR IMPLEMENTED ACTIONS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE IMPROVE THE CHARTER HOLDER’S PERFORMANCE IN THE CURRENT YEAR ON THE MEASURE(S) RATED “BELOW STANDARD” IN THE MOST RECENT AUDITED FISCAL YEAR? ▪ DOES INFORMATION INCLUDED IN THE CHARTER HOLDER’S AUDITS, ADMS46-1 REPORTS OR INITIAL FINANCIAL RESPONSE INDICATE THAT THE ACTIONS ARE UNREALISTIC FOR THE CHARTER HOLDER TO IMPLEMENT? | <p>ALL THE FOLLOWING ARE TRUE:</p> <ul style="list-style-type: none"> ○ THE CHARTER HOLDER PROVIDES ACTIONS TO ADDRESS THE PROBLEMS THAT CONTRIBUTED TO ITS UNDERPERFORMANCE IN THE MOST RECENT AUDITED FISCAL YEAR. ○ THE ACTIONS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE ARE RELEVANT TO THE MEASURES ON WHICH THE CHARTER HOLDER UNDERPERFORMED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ THE ACTIONS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE ARE REALISTIC FOR THE CHARTER HOLDER TO IMPLEMENT. | <p>ONE OR MORE OF THE FOLLOWING ARE TRUE:</p> <ul style="list-style-type: none"> ○ THE CHARTER HOLDER DOES NOT PROVIDE ACTIONS TO ADDRESS THE PROBLEMS THAT CONTRIBUTED TO ITS UNDERPERFORMANCE IN THE AUDITED FISCAL YEAR. ○ THE ACTIONS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE ARE NOT RELEVANT, IN WHOLE OR IN PART, TO THE MEASURES ON WHICH THE CHARTER HOLDER UNDERPERFORMED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ ONE OR MORE ACTIONS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE ARE NOT REALISTIC FOR THE CHARTER HOLDER TO IMPLEMENT. |

Appendix B:
Public Comment



Johanna Medina <johanna.medina@asbcs.az.gov>

Rubric for Reviewing the Initial Financial Response

1 message

Kelly Powell <kelly@azcharters.org>

Tue, Sep 17, 2019 at 10:40 AM

To: Johanna Medina <johanna.medina@asbcs.az.gov>

Cc: Jake Logan <jake@azcharters.org>, Yvonne Watterson <yvonne@azcharters.org>

I meant to send this earlier, so I apologize for the delay. I looked through the rubric you were seeking public comment on and really only had a couple global question/comment/suggestion.

Is there documentation or validity evidence behind the various levels on the rubric?

Do we know how these measures are impacted by a massive perturbation in the system like the Great Recession?

Finance is not my strongest area, but I have worked with a lot of rubrics. Usually there is some background evidence showing how the measures at different levels discriminate between poor and optimal performance. I assume that background work is underway or completed.

thanks for hearing me out.

Respectfully,



Kelly Powell | Director of Research
Arizona Charter Schools Association

A 12439 N 32nd St., Phoenix AZ 85032
C 602.618.8700 E kelly@azcharters.org
W <http://www.azcharters.org>



[Click here to learn more about 25 years of Arizona's public charters!](#)



Charter School Board - ASBCS <charterschoolboard@asbcs.az.gov>

financial

1 message

Vada Phelps <vphelps@cpic-cas.org>

Fri, Sep 13, 2019 at 11:21 AM

To: "charterschoolboard@asbcs.az.gov" <charterschoolboard@asbcs.az.gov>

I am still concerned about when an increase in spending occurs. i.e. I am building an additional building on one of my sites. I am able to building this out of case reserves. However, the cost is approximately 1.7 million. I worry that the board will see this as a negative. We believe this is a positive. We have set aside dollars for almost 20 years to allow us to not go into debt to add to our capital improvements. Will this be taken into consideration prior to placing us on the underperforming list???

We are always very close to our max enrollment cap – and income is more than enough to cover our expenses per year.

Please let me know your thoughts.

**Vada Phelps**

Executive Director

900 Carmelita Drive

Sierra Vista, AZ 85635

Office: (520) 439-3542

vphelps@cpic-cas.orgARIZONAatWORK.com/southeasternaz



Charter School Board - ASBCS <charterschoolboard@asbcs.az.gov>

Financial framework comments

1 message

K Kouch <kcouch@westlandschool.net>
To: charterschoolboard@asbcs.az.gov

Mon, Sep 16, 2019 at 5:32 PM

September 16, 2019
Financial framework comment

Dear Charter Board,

Charters are audited yearly, and that information is sent to the Charter Board. The audit show how the charter used its funds. I believe that finances should be transparent to the public it serves and to the Charter Board who authorizes the charter. The financial health of the charter includes not only how much funding is received versus expenditures, but also needs to take into account if the school saved money toward large purchases. Our school is financially very healthy, but a few years ago, we spent slightly more than we received one year because we had saved for a large purchase and had the funds to do it in the bank. We had the funds to make the purchase without putting the charter in any danger financially. Yet, because of the Charter Board's requirement to spend within the yearly funding amount, we did not meet the financial requirements set by the Charter Board. One of our school goals is to not have debt, so we save for these purchases and then spend the money when we have the extra available. To us, it is wise stewardship of the resources. Maybe there is a way the Charter Board can adjust for this type of financial situation.

Thank you.

Kathryn Couch
Cholla Academy
kcouch@westlandschool.net



Charter School Board - ASBCS <charterschoolboard@asbcs.az.gov>

Fwd: Proposed Rubric for Board Staff's Report on the Initial Financial Response

1 message

Amy Pedotto <apedotto@azgci.org>

Fri, Sep 13, 2019 at 11:14 AM

To: "charterschoolboard@asbcs.az.gov" <charterschoolboard@asbcs.az.gov>

Hi,

Please find attached the Grand Canyon Institute's feedback regarding the proposed rubric for Board Staff's Report on the Initial Financial Response from charters receiving an intervention rating.

Kind regards,

--

Amy Pedotto
Executive Director

Grand Canyon Institute
www.grandcanyoninstitute.org
apedotto@azgci.org
602-595-1025, Ext. 3



--

Amy Pedotto
Executive Director

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Rubric for Reviewing the Initial Financial Response

The following information and criteria will be used by Board staff to evaluate the Initial Financial Response submitted by a charter holder that receives an Intervention Rating. A.A.C. R7-5-509(C) specifies the questions included below that Board staff must answer in Board Staff’s Report on the Initial Financial Response.

| IS THERE A SOUND EXPLANATION FOR WHY THE CHARTER HOLDER UNDERPERFORMED ON THE FINANCIAL PERFORMANCE FRAMEWORK’S MEASURES? | | | |
|---|---|---|--|
| DOCUMENTATION REVIEWED | FACTORS CONSIDERED BY BOARD STAFF | QUESTION ANSWERED “Yes” | QUESTION ANSWERED “No” |
| <ul style="list-style-type: none"> ▪ INITIAL FINANCIAL RESPONSE, INCLUDING SUMMARY OF FACTORS THAT CAUSED OR CONTRIBUTED TO THE CHARTER HOLDER’S FINANCIAL PERFORMANCE IN THE MOST RECENT AUDITED FISCAL YEAR ▪ AUDITS SUBMITTED TO THE BOARD ▪ GCI recommends that audits must be comprehensive, not consolidated and generalized. ▪ ADMS46-1 REPORTS AVAILABLE THROUGH DEPARTMENT’S WEBSITE ▪ GCI recommends that the Charter Board compare a charter’s audit with its AFR to ensure that information in both correlate. | <ul style="list-style-type: none"> ▪ DOES THE INITIAL FINANCIAL RESPONSE INCLUDE AN EXPLANATION FOR WHY THE CHARTER HOLDER UNDERPERFORMED IN THE MOST RECENT AUDITED FISCAL YEAR? ▪ COULD THE CAUSE OR CONTRIBUTING FACTORS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE HAVE AFFECTED THE CHARTER HOLDER’S PERFORMANCE ON THE MEASURE(S) RATED “BELOW STANDARD?” ▪ <u>AS APPLICABLE, DOES INFORMATION INCLUDED IN THE CHARTER HOLDER’S AUDITS OR ADMS46-1 REPORTS CONTRADICT THE CAUSE’S OR CONTRIBUTING FACTOR’S EFFECT ON THE MEASURE(S) RATED “BELOW STANDARD?”</u> ▪ GCI recommends that the Charter Board also consider the opening of a new charter in the same zip code as a factor when an academically performing charter receives an Intervention Rating. | <p>ALL THE FOLLOWING ARE TRUE:</p> <ul style="list-style-type: none"> ○ THE CHARTER HOLDER PROVIDES AN EXPLANATION FOR WHY IT UNDERPERFORMED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ THE FACTORS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE ARE RELEVANT TO THE MEASURES ON WHICH THE CHARTER HOLDER UNDERPERFORMED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ THE FACTORS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE DO NOT CONTRADICT INFORMATION IN THE CHARTER HOLDER’S AUDITS OR ADMS46-1 REPORTS. | <p>ONE OR MORE OF THE FOLLOWING ARE TRUE:</p> <ul style="list-style-type: none"> ○ THE CHARTER HOLDER DOES NOT PROVIDE AN EXPLANATION FOR WHY IT UNDERPERFORMED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ THE FACTORS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE ARE NOT RELEVANT, IN WHOLE OR IN PART, TO THE MEASURES ON WHICH THE CHARTER HOLDER UNDERPERFORMED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ <u>ONE OR MORE FACTORS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE CONTRADICT INFORMATION IN THE CHARTER HOLDER’S AUDITS OR ADMS46-1 REPORTS.</u> |

| DID THE CHARTER HOLDER PERFORM AT A LEVEL JUST BELOW OR WELL BELOW THE FINANCIAL PERFORMANCE FRAMEWORK'S MEASURE(S) TARGETS? | | | |
|---|---|---|---|
| DOCUMENTATION REVIEWED | FACTORS CONSIDERED BY BOARD STAFF | QUESTION ANSWERED "JUST BELOW" | QUESTION ANSWERED "WELL BELOW" |
| <ul style="list-style-type: none"> ▪ MOST RECENT AUDITED FISCAL YEAR FINANCIAL DASHBOARD ▪ Measures and Summative Performance Ratings Guide | <ul style="list-style-type: none"> ▪ SINCE PERFORMANCE ON THE FINANCIAL FRAMEWORK'S GOING CONCERN AND DEFAULT MEASURES IS BASED ON THE PRESENCE ("BELOW STANDARD") OR ABSENCE ("MEETS STANDARD") OF CERTAIN DISCLOSURE IN THE AUDIT, "JUST BELOW" OR "WELL BELOW" ARE NOT APPLICABLE. ▪ IF THE CHARTER HOLDER RECEIVED "BELOW STANDARD" RATINGS ON ONLY THE GOING CONCERN MEASURE, DEFAULT MEASURE OR BOTH, THEN THIS QUESTION WILL BE ANSWERED "NOT APPLICABLE." | <p>FOR THE FINANCIAL FRAMEWORK'S FOUR CALCULATED MEASURES, ALL THE FOLLOWING, AS APPLICABLE, ARE TRUE FOR THE MEASURE(S) RATED "BELOW STANDARD:"</p> <ul style="list-style-type: none"> ○ UNRESTRICTED DAYS LIQUIDITY IS AT LEAST 10 DAYS BUT FEWER THAN 15 DAYS. ○ ADJUSTED NET INCOME DIVIDED BY TOTAL REVENUES IS BETWEEN NEGATIVE 5% AND NEGATIVE 9.99%. ○ THE LEASE ADJUSTED DEBT SERVICE COVERAGE RATIO IS AT LEAST 0.9 BUT LESS THAN 1.0. ○ THE CHARTER HOLDER'S PERFORMANCE ON THE AVERAGE DAILY MEMBERSHIP MEASURE SHOWS A DECREASE OF A) 15% TO 19.99% FOR A SMALL OR MEDIUM CHARTER HOLDER OR B) 10% TO 14.99% FOR A LARGE CHARTER HOLDER. ○ GCI maintains that this is too generous a spread over too short a time period to identify when declining enrollment jeopardizes a charters' sustainability. We are happy to review our data with the Charter Board that underpins this concern. | <p>FOR THE FINANCIAL FRAMEWORK'S FOUR CALCULATED MEASURES, ONE OR MORE OF THE FOLLOWING, AS APPLICABLE, ARE TRUE FOR THE MEASURE(S) RATED "BELOW STANDARD:"</p> <ul style="list-style-type: none"> ○ UNRESTRICTED DAYS LIQUIDITY IS FEWER THAN 10 DAYS. ○ ADJUSTED NET INCOME DIVIDED BY TOTAL REVENUES IS LESS THAN OR EQUAL TO NEGATIVE 10%. ○ THE LEASE ADJUSTED DEBT SERVICE COVERAGE RATIO IS LESS THAN 0.9. ○ THE CHARTER HOLDER'S PERFORMANCE ON THE AVERAGE DAILY MEMBERSHIP MEASURE SHOWS A DECREASE OF A) 20% OR MORE FOR A SMALL OR MEDIUM CHARTER HOLDER OR B) 15% OR MORE FOR A LARGE CHARTER HOLDER. ○ GCI has found that the following two indicators signal a charter's pending financial collapse: <ul style="list-style-type: none"> • Net Loss per ADM is -\$1000 or more • Net Deficit per ADM is -\$1000 or more. |

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| IN WHAT DIRECTION IS THE CHARTER HOLDER'S FINANCIAL HEALTH HEADING? | | | |
|---|--|---|---|
| DOCUMENTATION REVIEWED | FACTORS CONSIDERED BY BOARD STAFF | QUESTION ANSWERED "IMPROVING" | QUESTION ANSWERED "STABLE OR WORSENING" |
| <ul style="list-style-type: none"> ▪ QUARTERLY FINANCIAL REPORTS THROUGH AT LEAST THE QUARTER ENDING DECEMBER 31⁵ AND BUDGETS SUBMITTED WITH THE INITIAL FINANCIAL RESPONSE AND QUARTERLY FINANCIAL REPORTS GCI commends this new level of investigation that is very pertinent. ▪ INITIAL FINANCIAL RESPONSE'S SCHEDULE OF DEBT AND LEASE OBLIGATIONS AND THE CURRENT OUTSTANDING BALANCES FOR EACH GCI commends this requirement. ▪ MOST RECENT AUDITED FISCAL YEAR FINANCIAL DASHBOARD ▪ AUDITS SUBMITTED TO THE BOARD GCI recommends that the Board has the authority to require a comprehensive audit package. ▪ ADMS46-1 REPORTS AVAILABLE THROUGH | <ul style="list-style-type: none"> ▪ FOR THE DEFAULT, UNRESTRICTED DAYS LIQUIDITY AND ADJUSTED NET INCOME MEASURES, THE CHARTER HOLDER'S CURRENT PERFORMANCE BASED ON THE QUARTERLY FINANCIAL REPORTS THROUGH AT LEAST THE QUARTER ENDING DECEMBER 31⁵ AND BUDGETS. ▪ INFORMATION DISCLOSED IN THE INITIAL FINANCIAL RESPONSE AND THE AUDITS REGARDING THE CHARTER HOLDER'S DEBT AND LEASE OBLIGATIONS. ▪ AS APPLICABLE, INFORMATION DISCLOSED IN THE AUDITS REGARDING THE CHARTER HOLDER'S PERFORMANCE ON THE DEFAULT AND GOING CONCERN MEASURES. ▪ THE CHARTER HOLDER'S CURRENT PERFORMANCE ON THE AVERAGE DAILY MEMBERSHIP MEASURE. IF THE CURRENT FISCAL YEAR'S ADMS46-1 REPORT IS NOT AVAILABLE ON THE DEPARTMENT'S WEBSITE, BOARD STAFF WILL USE THE CHARTER HOLDER'S ESTIMATED COUNT IN THE CALCULATION. ▪ GCI recognizes all of these factors as valid. | <p>ALL THE FOLLOWING ARE TRUE:</p> <ul style="list-style-type: none"> ○ THE GOING CONCERN MEASURE WAS NOT RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR. ○ THE DEFAULT MEASURE WAS NOT RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR <u>OR</u> THE INITIAL FINANCIAL RESPONSE SUPPORTS THE CHARTER HOLDER HAS CURED THE DEFAULT(S) IDENTIFIED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ IF APPLICABLE, THE UNRESTRICTED DAYS LIQUIDITY MEASURE WAS RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR, <u>AND</u> BASED ON THE QUARTERLY FINANCIAL REPORTS THROUGH AT LEAST THE QUARTER ENDING DECEMBER 31⁵, THE CHARTER HOLDER'S CURRENT PERFORMANCE AS OF THE QUARTER END DATE HAS IMPROVED TO A "MEETS STANDARD" OR "APPROACHES STANDARD." ○ IF APPLICABLE, THE ADJUSTED NET INCOME MEASURE WAS RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR, <u>AND</u> BASED ON THE INITIAL FINANCIAL RESPONSE'S BUDGETS AND THE QUARTERLY FINANCIAL REPORTS THROUGH AT LEAST THE QUARTER ENDING DECEMBER 31⁵, THE CHARTER HOLDER'S CURRENT FISCAL YEAR PERFORMANCE IS PROJECTED TO IMPROVE TO A "MEETS STANDARD" OR "APPROACHES STANDARD." ○ THE NUMBER OF MEASURES PROJECTED TO BE RATED "BELOW STANDARD" BASED ON CURRENT PERFORMANCE IS LESS THAN THE NUMBER OF MEASURES RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR.⁵ ○ BASED ON THE INITIAL FINANCIAL RESPONSE, THE CHARTER HOLDER'S NON-FACILITY DEBT HAS REMAINED THE SAME OR DECREASED IN THE CURRENT FISCAL YEAR. ○ FOR THE CURRENT FISCAL YEAR, THE CHARTER HOLDER'S PERFORMANCE ON THE AVERAGE DAILY MEMBERSHIP MEASURE SHOWS EITHER: A) AN INCREASE, B) A DECREASE OF LESS THAN 15% FOR A SMALL OR MEDIUM CHARTER HOLDER, OR C) A DECREASE OF LESS THAN 10% FOR A LARGE CHARTER HOLDER. ○ GCI maintains that an ADM decrease of up to 15% is too generous and recommends this be capped at 10%. | <p>ONE OR MORE OF THE FOLLOWING ARE TRUE:</p> <ul style="list-style-type: none"> ○ THE GOING CONCERN MEASURE WAS RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR. ○ THE DEFAULT MEASURE WAS RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR <u>AND</u> THE INITIAL FINANCIAL RESPONSE DOES NOT SUPPORT THAT THE CHARTER HOLDER HAS CURED THE DEFAULT(S) IDENTIFIED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ IF APPLICABLE, THE UNRESTRICTED DAYS LIQUIDITY MEASURE WAS RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR, <u>AND</u> BASED ON THE QUARTERLY FINANCIAL REPORTS THROUGH AT LEAST THE QUARTER ENDING DECEMBER 31⁵, THE CHARTER HOLDER'S CURRENT PERFORMANCE AS OF THE QUARTER END DATE REMAINS RATED "BELOW STANDARD." ○ IF APPLICABLE, THE ADJUSTED NET INCOME MEASURE WAS RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR, <u>AND</u> BASED ON THE INITIAL FINANCIAL RESPONSE'S BUDGETS AND THE QUARTERLY FINANCIAL REPORTS THROUGH AT LEAST THE QUARTER ENDING DECEMBER 31⁵, THE CHARTER HOLDER'S CURRENT FISCAL YEAR PERFORMANCE IS PROJECTED TO REMAIN RATED "BELOW STANDARD." ○ THE NUMBER OF MEASURES PROJECTED TO BE RATED "BELOW STANDARD" BASED ON CURRENT PERFORMANCE IS EQUAL TO OR MORE THAN THE NUMBER OF MEASURES RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR.⁵ ○ BASED ON THE INITIAL FINANCIAL RESPONSE, THE CHARTER HOLDER'S NON-FACILITY DEBT HAS INCREASED IN THE CURRENT FISCAL YEAR. ○ FOR THE CURRENT FISCAL YEAR, THE CHARTER HOLDER'S PERFORMANCE ON THE AVERAGE DAILY MEMBERSHIP MEASURE SHOWS A DECREASE OF A) 15% OR MORE FOR A SMALL OR MEDIUM CHARTER HOLDER OR B) 10% OR MORE FOR A LARGE CHARTER HOLDER. ○ GCI is in agreement. |

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| DEPARTMENT'S WEBSITE | | | |
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⁵ If based on A.A.C. R7-5-509(B), the charter holder's Initial Financial Response must include a quarter ending subsequent to December 31, then the latest quarter end date will be used by Board staff to determine the answer to the question that asks, "In what direction is the charter holder's financial health heading?"

⁶ For this criterion, the measures considered are Default, Unrestricted Days Liquidity and Adjusted Net Income.

DO THE CHARTER HOLDER'S PROPOSED OR IMPLEMENTED ACTIONS ADDRESS THE PROBLEMS THAT CONTRIBUTED TO OR CAUSED THE CHARTER HOLDER'S UNDERPERFORMANCE ON THE FINANCIAL PERFORMANCE FRAMEWORK'S MEASURES AND ARE THEY REALISTIC TO IMPLEMENT?

| DOCUMENTATION REVIEWED | FACTORS CONSIDERED BY BOARD STAFF | QUESTION ANSWERED "Yes" | QUESTION ANSWERED "No" |
|--|--|---|--|
| <ul style="list-style-type: none"> ▪ INITIAL FINANCIAL RESPONSE, INCLUDING SUMMARY OF ACTIONS TAKEN OR BEING TAKEN TO IMPROVE THE CHARTER HOLDER'S FINANCIAL PERFORMANCE IN THE CURRENT FISCAL YEAR ▪ AUDITS SUBMITTED TO THE BOARD ▪ ADMS46-1 REPORTS AVAILABLE THROUGH DEPARTMENT'S WEBSITE | <ul style="list-style-type: none"> ▪ DOES THE INITIAL FINANCIAL RESPONSE INCLUDE PROPOSED OR IMPLEMENTED ACTIONS TO ADDRESS THE PROBLEMS THAT CONTRIBUTED TO THE CHARTER HOLDER'S UNDERPERFORMANCE IN THE MOST RECENT AUDITED FISCAL YEAR? ▪ COULD THE PROPOSED OR IMPLEMENTED ACTIONS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE IMPROVE THE CHARTER HOLDER'S PERFORMANCE IN THE CURRENT YEAR ON THE MEASURE(S) RATED "BELOW STANDARD" IN THE MOST RECENT AUDITED FISCAL YEAR? ▪ DOES INFORMATION INCLUDED IN THE CHARTER HOLDER'S AUDITS, ADMS46-1 REPORTS OR INITIAL FINANCIAL RESPONSE INDICATE THAT THE ACTIONS ARE UNREALISTIC FOR THE CHARTER HOLDER TO IMPLEMENT? | <p>ALL THE FOLLOWING ARE TRUE:</p> <ul style="list-style-type: none"> ○ THE CHARTER HOLDER PROVIDES ACTIONS TO ADDRESS THE PROBLEMS THAT CONTRIBUTED TO ITS UNDERPERFORMANCE IN THE MOST RECENT AUDITED FISCAL YEAR. ○ THE ACTIONS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE ARE RELEVANT TO THE MEASURES ON WHICH THE CHARTER HOLDER UNDERPERFORMED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ THE ACTIONS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE ARE REALISTIC FOR THE CHARTER HOLDER TO IMPLEMENT. ○ GCI is in agreement. | <p>ONE OR MORE OF THE FOLLOWING ARE TRUE:</p> <ul style="list-style-type: none"> ○ THE CHARTER HOLDER DOES NOT PROVIDE ACTIONS TO ADDRESS THE PROBLEMS THAT CONTRIBUTED TO ITS UNDERPERFORMANCE IN THE AUDITED FISCAL YEAR. ○ THE ACTIONS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE ARE NOT RELEVANT, IN WHOLE OR IN PART, TO THE MEASURES ON WHICH THE CHARTER HOLDER UNDERPERFORMED IN THE MOST RECENT AUDITED FISCAL YEAR. ○ ONE OR MORE ACTIONS IDENTIFIED IN THE INITIAL FINANCIAL RESPONSE ARE NOT REALISTIC FOR THE CHARTER HOLDER TO IMPLEMENT. ○ All Good |

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Charter School Board - ASBCS <charterschoolboard@asbcs.az.gov>

Proposed Rubric for Board Staff's Report on the Initial Financial Response

1 message

Joseph Hattrick <JHattrick@riverbendprep.org>

Fri, Sep 13, 2019 at 3:33 PM

To: "charterschoolboard@asbcs.az.gov" <charterschoolboard@asbcs.az.gov>

I was at the ASBCS meeting on 9/9 and heard the president inquire why there was such a low response rate to the proposed rubric. Following a review, I would suggest providing more background to the reader.

I will do a second read over the weekend but the difficulty is without background, it seems like there is not clear alignment between the question, factors, and how the third and fourth columns in the rubric will be used. A more clear objective rating scale would improve this rubric. I know that these are general examples and will provide the board with more detailed examples after a deeper review.

Thank you,

Dr. Joseph Hattrick

School Superintendent | Principal

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