

Arizona State Board for Charter Schools

Arizona State Board of Education

1700 W. Washington St., Room 164, Phoenix, AZ 85007
(602) 364-3080 Fax (602) 364-3089
www.asbcs.az.gov

RECEIVED

CHARTER HOLDER STATUS AMENDMENT REQUEST JUL 02 2010

(Charter Holder Name) Ideabanc, Inc. (CTDS) 108722000

(Charter Holder Mailing Address) 1150 North Country Club Road, Suite 100

(City, State) Tucson (Zip) 85716

(Charter Representative's Name) Dr. Reginald Barr

(Phone Number) 520-296-1100 (Fax Number) 520-296-1446

Failure to submit all required documentation will result in the Amendment Request being returned without being processed. Faxed copies will not be accepted. Please send originals.

Check appropriate box(s)

- Change in legal status of the Charter Holder
- Change in entity name of the Charter Holder
- Change in ownership of the Charter Holder (for-profits only)
- Other (please explain)

Included are the following:

- Board minutes approving the change (If the body is subject to Open Meeting Law, minutes must comply with ARS §38-431.01)
- Copy of amendment to Articles of Incorporation filed with the Arizona Corporation Commission
- Provide information regarding any payment, benefit or consideration received or to be received by any party in the transition.

⚡ Additional materials may be requested as required by the type of request

The Arizona State Board for Charter Schools and Ideabanc, Inc. (Charter Holder), herein agree to amend the terms of the charter contract as follows:

FROM: Ideabanc, Inc. an Arizona For Profit Charter School

TO: The Charter Foundation, Inc. an Arizona Not For Profit 501(c) 3 Corporation

In witness whereof, Charter Holder has signed this contract amendment as of this 24th day of June, 2010, and the State Board for Charter Schools has signed this contract amendment as of this ____ day of ____, 20__, to take effect at such time as it is signed by both parties.



Charter Representative Signature

Representative Signature for the Arizona State Board for Charter Schools

Checklist for a change of the Charter Holder



July 29, 2010

Ms. Heather Kelley
Contracts & Administrative Service Manager
Arizona State Board for Charter Schools
1700 West Washington Street, Room 164
Phoenix, AZ 85007

Re: Letter Qualifying Charter Amendment Request

Dear Ms. Kelley:

In 2008 the charter school contract held by The Charter Foundation, Inc., d/b/a AmeriSchools was assigned by the Arizona State Board for Charter Schools to Ideabanc, Inc., a for-profit Arizona corporation. The request by the Board of Directors of Ideabanc, Inc. to seek this assignment was based on a previous recommendation by Mr. Don Radakovich, certified public accountant and Mr. James Uhlman, Esq. as legal counsel.

This recommendation was based upon two variables; (1) the positive economy in the State of Arizona at the time of the assignment request and (2) the limited exposure of a for-profit entity conducting educational endeavors. The setting in 2008 was ideal for the assignment of the charter to the for-profit entity, Ideabanc, Inc.

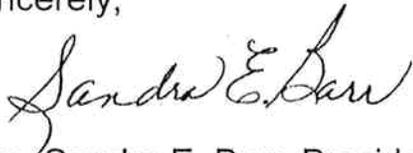
Times have changed dramatically from those in 2008. The economy in Arizona has experienced an extreme shortfall in state revenues, directly affecting the support for public education. The funding of grants by private resources and federal dollars is available only for non-profit entities. Therefore, the assignment of the charter contract to The Charter Foundation, Inc. as a non-profit corporation, is a most

Ms. Heather Kelley
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reasonable request supporting the schooling of students enrolled in each of the four sites operated by AmeriSchools.

The Board of Directors for The Charter Foundation Inc. is committed to conducting current and future educational programs as a non-profit corporation. The assignment of the charter contract to The Charter Foundation, Inc. by the Arizona State Board for Charter Schools will greatly contribute to further support educational programs conducted by AmeriSchools.

Sincerely,

A handwritten signature in cursive script that reads "Sandra E. Barr". The signature is written in black ink and is positioned above the typed name.

Mrs. Sandra E. Barr, President
Board of Directors of AmeriSchools

cc: Dr. Reginald Barr

**IDEABANC, INC.
D/B/A AMERISCHOOLS**

AGENDA

**NOTICE OF SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF IDEABANC, INC.**

Posted at:
1150 N. Country Club Rd., Suite 100, Tucson, AZ 85716
June 23, 2010

Pursuant to A.R.S. 38-431.02, notice is hereby given to the members of Ideabanc, Inc. Board of Directors and to the general public that ideabanc, Inc d/b/a AmeriSchools will hold a special meeting open to the public on Thursday, June 24, 2010, at 1150 N. Country Club Rd., Suite 100, Tucson, AZ. The Board of Directors shall utilize such telephonic or other technological systems of communication to conduct the meeting.

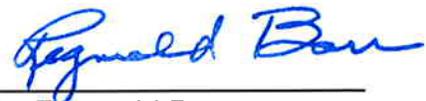
11:00 AM Special Board Meeting

The Agenda for the meeting is as follows:

1. **Call to Order, Roll Call, Pledge of Allegiance and Moment of Silence:**
..... Dr. Reginald Barr
Chief Executive Officer
2. **Approval of the Agenda for the June 24, 2010, Special Meeting of the Board of Directors of Ideabanc, Inc.:** Dr. Reginald Barr
3. **Discussion and Appropriate Action Concerning a request to the Arizona State Board for Charter Schools to Approve the Assignment of the charter contract held by Ideabanc, Inc. d/b/a AmeriSchools (10-87-22-000), a For-Profit Arizona Corporation to The Charter Foundation, Inc. d/b/a AmeriSchools, a Non-Profit Arizona Corporation. The date of the approval of the assignment of the charter contract by the Arizona State Board for Charter Schools is to be the effective date for the transfer and operation of the charter contract by The Foundation:** Dr..Reginald Barr
4. **Adjournment.**

Dated this 23rd day of June 2010

IDEABANC, INC.



Dr. Reginald Barr
Chief Executive Officer

**THE CHARTER FOUNDATION, INC.
D/B/A AMERISCHOOLS**

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF IDEABANC, INC.
June 24, 2010**

1. Call or Order, Roll Call, Pledge of Allegiance and Moment of Silence:

A Special Meeting of the Board of Directors of The Charter Foundation, Inc. June 24, 2010 was called to order by Dr. Reginald Barr at 12:00 PM at 1150 N. Country Club Rd., Suite 100, Tucson, Arizona 85716.

Present: Mrs. Sandra E. Barr
Mrs. Deborah E. LeBlanc per telephone
Mrs. Dana Baker per telephone

As Chief Executive Officer, Dr. Reginald Barr led the meeting with the Pledge of Allegiance and a moment of silence.

2. Approval of the Agenda of the June 24, 2010 Special Meeting of the Board of Directors of The Charter Foundation, Inc.:

Motion: Mrs. Deborah E. LeBlanc moved that the Agenda for the Special Meeting of the Board of Directors of The Charter Foundation, Inc. be approved.

This motion was seconded by Mrs. Dana Baker

By a vote of 3 ayes, 0 nays, 0 abstentions, the agenda was approved.

3. Approval and Appropriate Action Concerning a request to the Arizona State Board for Charter Schools to Approve the Assignment of the charter contract held by Ideabanc, Inc. d/b/a AmeriSchools (10-87-22-000), a For-Profit Arizona Corporation to The Charter Foundation, Inc. d/b/a AmeriSchools, a Non-Profit Arizona Corporation. The date of the approval of the assignment of the charter contract by the Arizona State Board for Charter Schools is to be the effective date for the transfer and operation of the charter contract by The Foundation

Dr. Reginald Barr explained to the governing Board the reasons for changing the charter to a non-profit Arizona Corporation.

MOTION: Mrs. Sandra E. Barr moved that the Board approve the charter school contract held by Ideabanc, Inc d/b/a AmeriSchools a for-profit Arizona Corporation to The Charter Foundation, Inc. d/b/a AmeriSchools a non-profit Arizona Corporation.

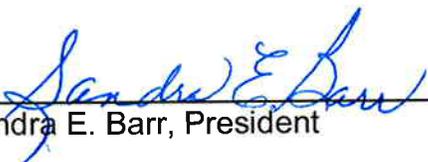
This motion was seconded by Mrs. Dana Baker.

By a vote of 3 ayes, 0 nays, 0 abstentions, the motion was approved.

3. Adjournment:

Dr Barr declared the meeting adjourned at 12: 35 PM.

Respectfully submitted:



Sandra E. Barr, President



Reginald Barr, Chief Executive Officer

June 24, 2010

Date

June 24, 2010

Date

THE CHARTER FOUNDATION, INC.
EXECUTIVE BOARD OF
DIRECTORS

DR. BARR
CHIEF EXECUTIVE OFFICER
IDEABANG, INC.

MS. CAROL TOWNER
ADMINISTRATIVE
ASSISTANT TO C.E.O.

MS. ANGELA TOWNER
COORDINATOR OF
CORPORATE SERVICES

MR. GARY LEBLANC
SUPERINTENDENT
AMERISCHOOLS

MS. ANITA MENDOZA
ASSISTANT SUPERINTENDENT
FOR INSTRUCTION

**SCHOOL SITE
PRINCIPALS/STAFF**

MS. CAROL TOWNER
COORDINATOR FOR
HUMAN RESOURCES/FINANCE

THE ASSIGNMENT OF CHARTER SCHOOL CONTRACT

THIS AGREEMENT entered into this 30th day of June 2010, by and between Ideabanc, Inc., an Arizona for-profit corporation (hereinafter referred to as "Ideabanc") and The Charter Foundation, Inc., an Arizona non-profit corporation (hereinafter referred to as "The Foundation").

RECITALS

WHEREAS, Ideabanc is a **for-profit** corporation organized and operating under the laws of the State of Arizona; and

WHEREAS, Ideabanc was granted a contract pursuant to A.R.S. §15-181 *et. seq.* by the Arizona State Board for Charter Schools on or about February 18, 1998 to operate a public school charter, grades K-12; and

Whereas, Ideabanc, under contract to operate sixteen (16) school sites with four (4) sites currently operational at the following locations:

1150 North Country Club Road
Tucson, Arizona 85716

1333 West Camelback
Phoenix, Arizona 85013

7444 East Broadway
Tucson, Arizona 85710

2098 South Third Avenue
Yuma, Arizona 85364

WHEREAS, The Foundation as a **non-profit** corporation organized and operating under the laws of the State of Arizona is duly qualified as a tax-exempt organization under Section 501 (c)(3) of the Internal Revenue Code; and

WHEREAS, the Board of Directors of The Foundation desire to operate a charter contract in the State of Arizona as a non-profit entity to be eligible to receive federal funds; and

WHEREAS, each Director serving to govern The Foundation is legally qualified under Arizona law to meet the stipulations for fingerprinting and financial solvency within the prescriptions of A.R.S. §15-183 *et. seq.*

WHEREAS, The Foundation represents that it has the management, educational and financial expertise and resources to operate the Ideabanc charter contract; and

BE IT RESOLVED, the Board of Directors of both Ideabanc and The Foundation believe it to be in the best interest of students to assign the charter school contract agreement of Ideabanc to The Foundation as a non-profit entity and operate the same

According to the application and agreement included in the Ideabanc contract granted by the Arizona State Board for Charter Schools.

AGREEMENT

NOW THEREFORE, IN CONSIDERATION of the premises and the mutual covenants set forth herein, the parties hereto agree as follows:

1. Assignment of the Charter School Contract

Ideabanc hereby agrees to assign to The Foundation all rights and title to a certain charter school contract entered into with the Arizona State Board for Charter Schools, under the terms and conditions expressed in this agreement.

The assignment shall be subject to the approval of the Arizona State Board for Charter Schools at its next available meeting. Ideabanc shall perform any and all acts necessary to allow the assignment and present same to the Arizona State Board for Charter Schools. The Foundation shall participate in any and all hearings or meetings dealing with the assignment.

2. Status of Arizona State Board for Charter Schools

It is understood that the charter school contract between Ideabanc and the Arizona State Board for Charter Schools provides that the contract cannot be assigned without the express permission of the Arizona State Board for Charter Schools. Ideabanc shall contact the Executive Director for the Arizona State Board for Charter Schools and prepare any and all amendments, resolutions, etc. necessary to transfer and assign the charter school contract to The Foundation.

3. Effective Date to Begin Operation of the Contract

The approval of the assignment of the charter contract by the Arizona State Board for Charter Schools is the effective date for the transfer and operation of the charter contract by The Foundation.

4. Assets

The approval of the assignment of the charter school contract from Ideabanc to The Foundation by the Arizona State Board for Charter Schools shall be the production, submission and approval of the original charter application, policies to manage and operate the charter school sites and the articulation of the academic program. The use of the AmeriSchools' trademark is to be an independently negotiated agreement between The Foundation and the current holder(s) of the Mark. The Foundation has a legitimate business interest in protecting relationships with students and parents and potential students and parents, therefore, Ideabanc agrees to not engage in any competitive educational venture for a period of one (1) year from the date of the

execution of this agreement nor within that one (1) year conduct an educational program within two (2) miles of any school site operated by The Foundation. If liabilities or obligations of any nature exist, whether accrued, absolute, contingent or otherwise, including without limitation, tax liabilities due or arising out of the operation of the charter contract by Ideabanc, each obligation shall remain the sole responsibility of Ideabanc.

5. Maintenance and Assumption of Contractual Obligations

The Foundation will evaluate and consider new contracts for any current employee, herein stipulating that all contracts for employment are to be at-will appointments.

The assumption of contractual obligations by The Foundation is conditional, based on the approval of the assignment of the charter contract by the Arizona State Board for Charter Schools.

6. Maintenance of Acceptable Curriculum

The governing Board of The Foundation affirms that the Arizona State Board for Charter Schools is the governing authority ("sponsor") issuing the charter contract in accordance with A.R.S. § 15-181, *et. seq.* The Foundation hereby acknowledges that the Ideabanc charter school contract includes the application submitted and incorporated in the original contract, which cannot be changed without the approval of the Arizona State Board for Charter Schools. The curriculum that exists under that contract has been implemented pursuant to the application submitted to the Arizona State Board for Charter Schools. As a part of the assignment of the contract, The Foundation hereby agrees to accept any advice being submitted by the Arizona State Board for Charter Schools or the Arizona Department of Education regarding the educational program. The Foundation further agrees that any change to the contract will not be made without the express permission of the Arizona State Board for Charter Schools.

Ideabanc fully understands that once the Arizona State Board for Charter Schools approves the assignment of the contract that its obligations and responsibilities under the contract will cease subject only to the Arizona State Board for Charter Schools approving any appropriate amendment or a motion approving assignment. The Foundation will then answer to the Arizona State Board for Charter Schools and not Ideabanc for the operation of the school.

7. Participation in Hearings and Meeting Dealing With the Transfer

Ideabanc agrees to permit The Foundation and its legal counsel to participate in all hearings and meetings dealing with the transfer and assignment of the contract. Ideabanc further agrees that The Foundation is to be kept fully informed during the assignment process.

8. Actions of the Board of Directors of Ideabanc

The Board of Directors of Ideabanc shall take any and all actions necessary to effectuate the purposes of this agreement, including the passages of appropriate resolutions.

The Foundation shall have free access to all formal audits and financial records, including the right to attend any and all meetings conducted by the governing Board of Ideabanc. Ideabanc further agrees to provide The Foundation with copies of all minutes of meetings that take place between the execution of this agreement and the approval of the assignment of the contract by the Arizona State Board for Charter Schools.

9. Document Preparation for Transfer

Ideabanc and The Foundation agree to prepare any subsequent agreements, documents or resolutions necessary to satisfy the intent of this agreement for either party or the Arizona State Board for Charter Schools. The execution of the necessary documents for ideabanc and The Foundation shall illustrate that each is satisfied with the terms contained in the agreement and the execution therefore shall be voluntary, each intending to be bound thereby. Ideabanc, Inc. agrees to provide the following documents to the Arizona State Board for Charter Schools and the Foundation for the transfer and assignment of the contract.

- Operator Status Amendment Request
- Copies of Fingerprint Cards for the Board of Directors for The Charter Foundation, Inc.
- Copies of Notarized applications for Fingerprint Clearance
- Letters Regarding Credit Profile Reports
- Copy of Agenda and Minutes of the Special Meeting of the Board of Directors of Ideabanc, Inc, Requesting Operator Status Amendment
- Copy of Articles of Incorporation for The Charter Foundation, Inc.
- Copy of By Laws of The Charter Foundation, Inc.
- Copy of Employer Identification Number (EIN) for The Charter Foundation, Inc.
- Copy of the Federal Income Tax Exempt Status (501 (c)(3) for The Charter Foundation, Inc.

- Copy of the State of Arizona Corporation Commission Annual Report for The Charter Foundation, Inc. 2010
- Copies of any and all contracts in effect between Ideabanc, Inc. and the State of Arizona
- Copy of the adopted budget for 2011 for the operation of the charter contract.

10. Non Approval of Assignment of Charter School Contract

In the event the Arizona State Board for Charter Schools does not approve the assignment of the charter contract to The Foundation, this agreement shall be cancelled and is void.

11. Assignment of the Agreement

The Foundation covenants that it shall not assign or encumber this agreement or any rights due to the charter school contract or property of Ideabanc until the Arizona State Board for Charter Schools approves the assignment of the charter school contract. The parties agree that any assignment in violation of this agreement will be void.

12. Final Transference Date

All parties agree that pursuant to the terms of the Ideabanc charter contact, any assignment of the contract is dependent upon the approval of the Arizona State Board for Charter Schools. Within seven (7) days after the approval of the assignment of the charter contract to The Foundation, the parties will meet at 1150 North Country Club Road, Suite 100, Tucson, Arizona 85716 to execute final documents necessary to complete the assignment of all rights contained in this agreement.

At this meeting, Ideabanc shall provide to The Foundation the following documents:

- The Charter Foundation, Inc. Annual Report submitted to the Arizona Corporation Commission for the 2010 year.
- Duly certified resolution authorizing the transfer of assets, if any, to The Foundation.

At this meeting, The Foundation shall provide to Ideabanc the following documents:

- Resolution from the Board of Directors of The Foundation authorizing the acceptance of the assignment of the charter school contract of Ideabanc.
- Resolution from the Board of Directors of The Foundation accepting the assignment of leases and other contracts

13. Counterparts

This agreement may be executed in one or more parts, all of which taken together shall constitute one instrument.

14. Entire Agreement

The parties agree that this agreement constitutes the entire agreement between the parties regarding the assets or liabilities and the assignment of the charter school contract.

15. Execution of Necessary Documents

The parties agree to execute any and all documents, which may be necessary to carry out the intent and purposes of this agreement.

16. Marginal Headings

The marginal headings of the paragraphs of this agreement are for convenience only, and are not to be considered as part of the agreement or used in determining its content or context.

17. Modification

Any modification or amendment of this agreement shall be in writing to be executed by the parties.

18. Applicable Law and Partial Invalidity

This agreement shall be construed in accordance with the principles of Arizona law. If any provisions of this agreement shall be held to be invalid or unenforceable, the parties hereby agree that this agreement shall **NOT** be deemed void in total and all remaining provisions shall nevertheless continue in full force and effect.

19. Succession of Benefits

The provisions of this agreement shall inure to the benefit of and be binding upon each of the parties hereto, their successors, assigns, heirs, executors, administrators and assignees.

20. Waiver

Any waiver by any party of a breach of any provision of this agreement shall **NOT** operate as or be construed as a waiver of any subsequent breach thereof.

21. Fees and Costs

If any party fails to comply with any of the provisions of this agreement and the other party takes action to enforce such provisions or to enforce any payment stipulated to in this agreement, the losing party will pay to the prevailing party reasonable costs and expenses, including attorney's fees. All disputes shall be resolved in Pima County Superior Court, Tucson, Arizona.

22. Dispute Resolution

Both parties agree that prior to the instigation of any litigation and as a condition precedent to the institution of litigation the parties shall submit any dispute to a third party mediator. If the parties cannot agree to a third party mediator, then the parties shall seek and contact the Arizona Dispute Resolution Association for the names of a mediator. The parties shall not be subject to binding arbitration.

23. Authority and Understanding

Each of the parties executing this agreement hereby certifies and represents that he or she has had an opportunity to independently pursue legal advice of counsel and knowingly enters into this agreement without coercion or duress.

WITNESS our hands the dates set forth by the appropriate signature.

IDEABANC, INC

BY: Sandra E. Barr
SANDRA E. BARR
ITS' PRESIDENT
Date: 06/24/10

THE CHARTER FOUNDATION, INC.

BY: Sandra E. Barr
SANDRA E. BARR
ITS' PRESIDENT
Date: 06/24/10