

E.A.G.L.E. Academy Staff Report

Background Information

E.A.G.L.E. Academy operates E.A.G.L.E. Academy in Golden Valley. The Board entered into a transfer contract with the charter operator in June of 2000. The school currently serves approximately 183 students in grades K-12. E.A.G.L.E. Academy is an Underperforming school and did not meet AYP because it did not meet the required percentage of students tested or the annual measurable objectives requirements. Due to its Underperforming profile, E.A.G.L.E. Academy is also on the February agenda in order for the Board to accept its Arizona School Improvement Plan.

On September 2, 2008 staff received a call from Melanie Windecker, a board member of the Charter Operator. Ms. Windecker shared that the charter representative had resigned, the school was struggling financially and working with a bankruptcy attorney and that classrooms were being restructured to support a reduction in staff.

Audit History

E.A.G.L.E. Academy's audit submission history for fiscal years 2005 through 2007 follows:

Fiscal Year 2005	Not submitted timely (Board approved withholding, but audit submitted prior to payment being processed. Therefore, no withholding occurred.)
Fiscal Year 2006	Submitted timely
Fiscal Year 2007	Submitted timely

On January 26th, the audit firm indicated that it has received most of the requested information from the school with the exception of two items. The auditor stated that assuming the audit firm receives the outstanding information shortly, the audit should be ready to submit sometime during the first week of February.

Identified Issues/Concerns

Staff conducted a general monitoring site visit to E.A.G.L.E. Academy on November 4, 2008. The issues and concerns generated through the site visit, compliance check and review of complaints are identified below:

No Charter Representative for the Charter

E.A.G.L.E. Academy's Charter Representative of record has resigned her position. On September 2, 2008, staff, in a conversation with Melanie Windecker, a board member of the Charter Operator, learned that CEO and board member, Mary Stuart, who served as the Charter Representative, had resigned. Staff received confirmation that all other members of the board remained and that the corporate board and governing body are one and the same. Staff described the amendment process for changing the charter representative and updating the contract to reflect the current corporate membership.

During a site visit in November 2008, staff confirmed that Mary Stuart had resigned. In addition to the conversation above, staff has had the following communications with the school regarding this matter:

- November 4, 2008 – During the site visit, staff informed Principal Karry Whitten of the need for E.A.G.L.E. Academy to submit the appropriate documentation to change the charter representative.
- November 24, 2008 – The initial site visit follow-up letter reiterated the need to submit the appropriate documentation to the Board.
- January 26, 2009 – Information regarding this issue was also included in a letter sent on this date to the school.

As of January 29, 2009, E.A.G.L.E. Academy has not submitted any of the required paperwork to process the change in charter representative.

Comprehensive Program of Instruction

During the September 2nd phone conversation, Ms. Windecker stated that grade level classes would be combined in an effort to reduce overhead. Staff advised Ms. Windecker that should that occur and if modifications are made to the program of instruction, that an amendment would be required. Staff also cautioned that when combining grade levels, there needed to be assurances that grade level performance objectives were being taught.

During a site visit on November 4, 2008, staff reviewed the school's program of instruction. Specifically, staff focused on instruction aligned to the State Academic Standards, given the previous information from Ms. Windecker of the need to combine classes. Staff observed a combined 7th and 8th grade Language Arts class as well as an 11th and 12th grade English class. During the visit and in subsequent correspondence, staff collected and reviewed information to support the implementation of an aligned program of instruction. Specifically, staff reviewed Reading, Writing, Social Studies, and Science documents for grades 7 through 12.

Staff reviewed the School Improvement Plan for evidence of efforts of alignment. The Plan states:

- *By September (sic) 2010 the school will purchase and align reading curriculum in grades 4th-8th in which all teachers will be trained in.*
- *Purchase Accelerated Reader, SBR math supports and enrichment by September 2009.*

After reviewing all information provided, staff has determined that the school has failed to provide evidence of a comprehensive program of instruction for:

- 7th, 8th, 9th, 11th, and 12th grade Reading and Writing
- 7th and 8th grade and high school Social Studies

Arizona State Retirement System (ASRS)

As of January 27th, E.A.G.L.E. Academy is currently behind in submitting reports and contributions to the ASRS for 6 payroll periods. These include 1 payroll period in September 2008, 2 payroll periods in October 2008, 2 payroll periods in December 2008, and 1 payroll period in January 2009.

Arizona Corporation Commission

E.A.G.L.E. Academy's charter contract requires it to maintain good standing with the Arizona Corporation Commission. Currently, E.A.G.L.E. Academy is not in good standing because the corporation does not have a statutory agent and has failed to timely file its 2008 annual report, which was due on October 9, 2008.

Fingerprinting

During the November visit, the school failed to provide a fingerprint clearance card for an instructional assistant and was unable to provide proof that a fingerprint check had been conducted pursuant to A.R.S. §15-512 for an office assistant. At its November meeting, the Board determined that these occurrences constituted E.A.G.L.E. Academy's first time for civil penalty purposes.

Board Options

1. The Board may direct staff to monitor E.A.G.L.E. Academy's progress related to the above issues and provide additional updates as they become available.

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2. The Board may continue with the current 10% withholding of E.A.G.L.E. Academy's monthly State aid apportionment for failure to timely submit the fiscal year 2008 audit and not add to the basis.
3. The Board may add to the basis for the withholding and require submission of a corrective action plan for any or all of the following: a) failure to comply with the terms of the charter contract regarding the operation of the school; b) failure to provide a comprehensive program of instruction; c) failure to remain current with its reporting and member and employer contribution obligations to the Arizona State Retirement System; and d) failure to maintain good standing with the Arizona Corporation Commission.

In order to have the 10% withholding returned, E.A.G.L.E. Academy needs to submit a corrective action plan that includes:

- a. Compliance with Charter Contract – Amendments to support the current membership of the corporate and governing board and an identified charter representative.
 - b. Comprehensive Program of Instruction – Evidence of the implementation of a comprehensive program of instruction for 7th, 8th, 9th, 11th, and 12th grade Reading and Writing and 7th and 8th grade and high school Social Studies
 - c. State Retirement Obligations – Evidence to the Board that the charter has submitted all delinquent reports and contributions to the ASRS and is current or has established a payment plan approved by the ASRS and also a written statement reflecting the changes E.A.G.L.E. Academy has made to its procedures to ensure that all future reports and contributions are submitted timely to the ASRS.
 - d. Arizona Corporation Commission Standing – The 2008 Annual Report, the necessary documentation to establish a statutory agent, and any other information that is required to the Arizona Corporation Commission in order for the charter to return to good standing.
4. The Board may vote to issue a Notice of Intent to Revoke the charter contract of E.A.G.L.E. Academy for any or all of the following issues: a) failure to timely submit the fiscal year 2008 audit; b) failure to comply with the terms of the charter contract regarding the operation of the school; c) failure to provide a comprehensive program of instruction, d) failure to remain current with its reporting and member and employer contribution obligations to the Arizona State Retirement System, and e) failure to maintain good standing with the Arizona Corporation Commission.

The motion should also require that:

- Within 48 hours of receipt of the Notice the charter operator shall notify staff and parents/guardians of registered students of the Notice of Intent to Revoke and the Notice of Hearing and provide a school location where the copy may be reviewed;
 - Within 20 days of receipt of the Notice the charter operator shall provide copies of all correspondence and communications used to comply with the preceding provision; and
 - Within 20 days of receipt of the Notice the charter operator shall provide the Board with the names and mailing addresses of parents/guardians of all students registered with the school.
5. The Board may choose to add to the basis of the current 10% withholding (Option #3) and to issue a Notice of Intent to Revoke the charter contract of E.A.G.L.E. Academy (Option #4).

Staff's Recommendation

Staff's recommendation is Option #5.