

## AGENDA ITEM EXECUTIVE SUMMARY: Proposed Changes to the Enrollment Cap Amendment Request

### Issue

Currently, when requesting an enrollment cap increase, the charter holder must provide a Certificate of Occupancy or Fire Marshal’s Inspection Report approved for educational use prior to Board consideration. Schools wanting to build out from their current facility or build a facility for a new school or physical location do not have either of those facility documents as the construction is not complete. The proposed changes will allow a charter holder to be considered by the Board for a request to increase its enrollment cap without the Certificate of Occupancy or Fire Marshal’s Inspection Report, but will require the new construction to be approved for educational use before payment is issued for the additional number of students requested in the enrollment cap.

### Proposed Revisions

#### New Submission Requirements

Board staff is proposing changes to the facility documentation requirements to provide the charter holder the opportunity to request an increase of the enrollment cap due to new construction. New construction may be an extension or a new building added to an existing school or a new school location.

The current facility documentation requirements are:

- A Certificate of Occupancy, **and/or** a current Fire Marshal’s Inspection Report, both approved for educational use of the existing school facilities.
- If the Certificate of Occupancy and/or Fire Marshal’s Inspection Report do not list the capacity load of the facility, provide **additional** documentation (e.g. floor plans with classroom square footage, architectural drawings clearly indicating internal building dimensions) to document capacity.

The table lists the proposed facility documentation requirements for an enrollment cap increase.

Proposed Submittal Requirements	Rationale
A current Certificate of Occupancy, <b>and</b> a current Fire Marshal’s Inspection Report, both approved for educational use of the existing school facilities.	By providing both the current Certificate of Occupancy and Fire Marshal’s Inspection Report, Board staff confirms that the existing school facilities are approved for educational use and can hold the number of students being requested. This process aligns with documents submitted to open a new school which ensures the charter holder complies with certain building requirements.
If the Certificate of Occupancy and/or Fire Marshal’s Inspection Report do not list the capacity load of the existing school facilities, provide additional documentation (e.g. floor plans with classroom square footage, architectural drawings clearly indicating internal building dimensions) to document capacity.	No change. This allows the charter holder to provide additional occupancy documentation that demonstrates its capacity load of the existing facilities. This includes floor plans with classroom square footage or architectural drawings. It does not include hand-drawn images.



<p>If a Certificate of Occupancy and Fire Marshal’s Inspection Report are not available for the new construction at the time of submission, an <u>Occupancy Compliance Assurance and Understanding form</u>, signed by a charter representative, may be submitted in its place.</p>	<p>This addition to the facility requirements and revision to the Occupancy Compliance Assurance and Understanding form allows the charter holder to sign and submit this assurances form in lieu of a Certificate of Occupancy and Fire Marshal’s Inspection Report. Furthermore, by having a signed assurances form, the charter holder agrees to provide the Board with the Certificate of Occupancy and Fire Marshal’s Inspection Report, both approved for educational use, after the new construction is complete and allows the Board to withhold State-equalization assistance payments for the additional number of students approved until Board staff receives the facility documentation.</p>
<p>If a Certificate of Occupancy and/or Fire Marshal’s Inspection Report are not available for the new construction at the time of submission, <u>provide additional documentation</u> (e.g. floor plans with classroom square footage, architectural drawings clearly indicating internal building dimensions) to document capacity.</p>	<p>This change allows the charter holder to provide additional occupancy documentation for the new construction that demonstrates its capacity load of the new construction. This includes floor plans with classroom square footage or architectural drawings. It does not include hand-drawn images.</p>
<p>If the charter holder is adding new construction to an existing school, an <u>Agricultural Land Regulation Assurance and Understanding form</u> signed by a charter representative for new construction.</p>	<p>This last change requires the charter holder to submit an Agricultural Land Regulation Assurance and Understanding form for the new construction. This assurances form complies with Arizona Revised Statute §15-183(U) and indicates the charter holder agrees to submit appropriate documents to the office of the county recorder if the new construction is located less than one-fourth mile from agricultural land.</p>

Appendix A includes the proposed revisions to the Enrollment Cap Amendment Request and the Occupancy Compliance Assurance and Understanding form.

Combined Amendments

The proposed changes to the enrollment cap request also affect the combined amendments which allow a charter holder to request an enrollment cap increase in conjunction with:

- A new school request that includes new construction,
- An increase in the grade levels served by the charter,
- A change in the grade levels served at a specific school, and
- A change in the school’s physical location.



# APPENDIX A

# Enrollment Cap Amendment Request

## Purpose

The *Enrollment Cap Amendment Request* is used to increase or decrease the number of students the charter holder may serve at its school(s). The request must be submitted timely so that it may be processed within the timeframe provided in Rule and implemented according to the ADE School Finance Policy SF-0001—Charter Enrollment Cap Amendments. A change in the enrollment cap is not effective until approved by the Board.

*Before submitting this request, **ensure the charter holder is in compliance per the Board's [policy](#)**. If a charter holder is not in compliance, the request may be deemed incomplete and the non-compliance may be recorded on the charter holder's operational dashboard.*

## Determining Eligibility

To determine whether your charter is eligible to expand, a charter holder, its Associated Schools and Associated Charters (as applicable) must meet eligibility criteria based on its performance on the academic, financial, and operational dashboards. The criteria is found in the “Eligibility Criteria for Expansion” document found in Appendix C of [The Guide](#).

An eligible charter holder may submit a request to **increase** the enrollment cap for up to three fiscal years of projected student enrollment.

Any charter holder may submit a request to **decrease** the number of students served.

## Board Consideration

A substantively complete amendment request submitted by a charter holder that meets the eligibility criteria shall be placed on the agenda of a regular Board meeting. A finding that the charter holder is not in compliance in one or more operational areas may result in a delay in consideration of the request.

If a charter holder is eligible to submit a request, it must maintain eligibility prior to Board consideration. For information on maintaining eligibility go to the section on “Eligibility Criteria” in The Guide.

## Staff Recommendation

An *Enrollment Cap Amendment Request* for an increase in the enrollment cap will receive a staff recommendation for the expansion if the Charter Holder’s current data and performance demonstrates all of the following criteria.

Charter Holder has been in operation for three years;
Rating of “Meets Operational Standard” in the most recent Fiscal Year;
Rating of “Meets Financial Performance Standard” in the most recent Fiscal Year;
Past enrollment trends indicate need for increase within three years;
ADM is within 85% of current enrollment cap; and
Each school operated by the Charter Holder performs at or above the average performance of a majority of schools within a five mile radius of the school’s location;
<b>OR</b> School(s) offers a unique program of instruction within a five mile radius of the school’s location.

## Instructions for the Request

Work through the form, filling in all required fields and uploads (denoted by "\*"). Follow the instructions for each upload field. Be sure to save your work, even if you aren't prepared to submit your form, so that you do not lose your data.

### Form Fields

Field	Instructions
<b>From</b>	Confirm that the From field accurately identifies the Enrollment Cap approved for the charter contract. If not, contact Board staff.
<b>To*</b>	Enter the Enrollment Cap being requested, ensuring it is supported by the documented capacity of the facility/facilities identified.

### Attachments

For further information regarding specific documentation requirements, see The Guide (*Attachment Guidelines*) and the administrative and substantive completeness requirements following this section.

#### Board Minutes or Board Resolutions\*

#### Occupancy Documentation\* (Increase Only)

For the existing school facility(ies), clearly label and provide the following documents in the upload area:

- A **current** Certificate of Occupancy, approved for educational use, **and/or**
- A current Fire Marshal’s Inspection Report, **approved for educational use.**

- If the Certificate of Occupancy and/or Fire Marshal’s Inspection Report do not list the capacity load of the **existing school facility** facilities, provide additional documentation (e.g. floor plans with classroom square footage, architectural drawings clearly indicating internal building dimensions) to document capacity. Hand-drawn images will not be accepted.

If the charter holder is wanting to build out from their current facility or build a facility for a new school or physical location adding new construction to an existing school, clearly label and provide the following documents in the upload area:

- A current Certificate of Occupancy, approved for educational use, **and**
- A current Fire Marshal’s Inspection Report, approved for educational use.
- If a Certificate of Occupancy and Fire Marshal’s Inspection Report are not available for the new construction at the time of submission, an *Occupancy Compliance Assurance and Understanding form*, signed by a charter representative, may be submitted in its place.
- If the Certificate of Occupancy and/or Fire Marshal’s Inspection Report are not available for the new construction at the time of submission, provide additional documentation (e.g. floor plans with classroom square footage, architectural drawings clearly indicating internal building dimensions) to document capacity. Hand-drawn images will not be accepted.
- If the charter holder is adding new construction to an existing school, an *Agricultural Land Regulation Assurance and Understanding form* signed by a charter representative for new construction.

**Narrative\* (Decrease Only)**

Upload a narrative that responds to the following prompts:

- Describe the rationale for this request.

**Narrative\* (Increase Only)**

Upload a narrative that responds to the following prompts:

- Describe the rationale for this request.
- Provide a detailed staffing plan consistent with each Staffing Chart submitted with this request. Describe how the (administrative, instructional, and non-instructional) staffing, enrollment, and target population needs will be addressed by the following processes:
  - Recruitment,
  - Hiring, and
  - Training.
- If changes to staffing are not needed, provide an explanation.
- Provide a justification for the enrollment targets identified in each Enrollment Matrix submitted. Include:
  - Plan for meeting each year’s enrollment targets;
  - Necessary advertising and/or promotion to meet the targets (if applicable);
  - Number of returning students; and
  - Anticipated new student enrollment.

Identify the concrete resources, if any, needed for implementation. Consider the changes needed to curriculum, assessment, and instruction to implement this request. Provide the rationale for your response. If the response indicates that resources are not needed to implement the request, explain why.

**Additional Information\* (Increase Only)**

Upload each of the following documents:

- Enrollment Matrix
  - Complete for **each school** operated by the charter, detailing the current and targeted number of students served per grade for the subsequent three Fiscal Years.
- Staffing Chart
  - Complete for **each school** operated by the charter, identifying the current and anticipated staffing information for the subsequent three Fiscal Years.
- Financial Documentation (Only for charter holders that **do not meet** the Board’s financial performance expectations)—as described in Appendix B of the [Financial Performance Framework Guidance](#) (FPFG):
  - Upload the financial performance response as described in Appendix C of the FPFG.

**Administrative Completeness Review**

An administratively complete request includes the following (as applicable):

- Board Minutes or Board Resolutions that provide evidence that the:
  - Proposed change has been approved or addressed by the charter holder (approving board);
  - Approving board aligns with what is currently on file with ASBCS; and
  - Board minutes comply with Open Meeting Law (if applicable); or
  - Board resolution is signed by all current board members if the approving board is not subject to Open Meeting Law.
- Occupancy Documentation (for existing school facilities)
  - Certificate of Occupancy, approved for educational use, ~~and/or~~
  - Current Fire Marshal’s Inspection Report, approved for educational use.
- Occupancy Documentation (for new construction)
  - Current Certificate of Occupancy **and** current Fire Marshal’s Inspection Report, both approved for educational use;  
OR
  - Completed Occupancy Compliance Assurance and Understanding form that is signed and dated by the charter representative
  - If the charter holder is adding new construction to an existing school, an Agricultural Land Regulation Assurance and Understanding form that is signed and dated by the charter representative.
- Narrative, addressing all prompts
- Completed Enrollment Matrix for each school operated by the charter holder
- Completed Staffing Chart for each school operated by the charter holder
- Financial Performance Response
- All required forms are submitted on the approved ASBCS template.

## Substantive Completeness Review

The following checklist will be used to determine substantive completeness for this request. Each criterion (if applicable) will either be deemed acceptable or not acceptable.

Review	Criteria
Board Minutes	<input type="checkbox"/> Board minutes indicate that the request has been approved and is consistent with the submitted form
Occupancy Documentation (for existing school facility - Increase Only)	<input type="checkbox"/> Most <del>recent</del> current Certificate of Occupancy; and <del>for</del> Fire Marshal's Inspection Report for existing school facility(ies), approved for educational use. <input type="checkbox"/> If neither displays occupancy, additional documentation demonstrates capacity that is in alignment with the charter holder's <del>current</del> requested enrollment cap increase. Description includes how the space is sufficient for the number of students requested. Hand-drawn images will not be accepted.
Occupancy Documentation (for new construction- Increase Only)	<input type="checkbox"/> The Certificate of Occupancy and Fire Marshal's Inspection Report for the new construction. <input type="checkbox"/> If the Certificate of Occupancy and Fire Marshal's Inspection Report are not available at time of submission, an Occupancy Compliance Assurance and Understanding form is submitted and signed by the charter representative. <input type="checkbox"/> If the Certificate of Occupancy and/or Fire Marshal's Inspection Report are not available at the time of submission, additional documentation demonstrates capacity that is in alignment with the charter holder's requested enrollment cap increase. <input type="checkbox"/> An Agricultural Land Regulation Assurance and Understanding form is submitted and signed by the charter representative.
Rationale (Narrative)	Description includes: <input type="checkbox"/> Rationale for increase or decrease in enrollment cap; and <input type="checkbox"/> Rationale is consistent with information contained in all applicable narrative prompt responses and accompanying attachments.
Staffing Chart (Increase Only)	<input type="checkbox"/> Completed Staffing Chart(s) for the school(s) operated by the charter holder. <input type="checkbox"/> Staffing Chart(s) include a leadership section for the school(s) operated by the charter holder. <input type="checkbox"/> Staffing Chart(s) are consistent with information contained in all applicable narrative prompt responses and accompanying attachments.



<p><b>Staffing Plan (Narrative—Increase Only)</b></p>	<p><input type="checkbox"/> Plan describes changes to instructional, non-instructional, and administrative staff in the Staffing Chart(s).</p> <p><input type="checkbox"/> Staffing, enrollment, and target population needs address the following processes:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Recruitment;</li> <li><input type="checkbox"/> Hiring; and</li> <li><input type="checkbox"/> Training.</li> </ul> <p><input type="checkbox"/> If no changes to staffing, the plan describes why there are no needed changes.</p> <p><input type="checkbox"/> Staffing Plan is consistent with the information contained in all applicable narrative prompt responses and accompanying attachments.</p>
<p><b>Enrollment Matrix (Increase Only)</b></p>	<p><input type="checkbox"/> A completed Enrollment Matrix for the current and subsequent three Fiscal Years for each school operated by the charter holder.</p> <p><input type="checkbox"/> Each Enrollment Matrix is consistent with information contained in all applicable narrative prompts and accompanying attachments.</p>
<p><b>Enrollment Justification (Narrative—Increase Only)</b></p>	<p><input type="checkbox"/> Description of enrollment is consistent with the targets identified in each Enrollment Matrix submitted.</p> <p>Description includes:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> A plan for meeting each year’s enrollment targets;</li> <li><input type="checkbox"/> Necessary advertising and/or promotion to meet the targets;</li> <li><input type="checkbox"/> Number of returning students; and</li> <li><input type="checkbox"/> Anticipated new student enrollment.</li> </ul> <p><input type="checkbox"/> Enrollment Justification is consistent with information contained in all applicable narrative prompts and accompanying attachments.</p>
<p><b>Resources (Narrative—Increase Only)</b></p>	<p>Concrete resources are identified for the following areas:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Curriculum; and/or</li> <li><input type="checkbox"/> Assessment; and/or</li> <li><input type="checkbox"/> Instruction.</li> </ul> <p><input type="checkbox"/> Rationale includes why these resources are needed, or why additional resources are not needed to implement the request.</p> <p><input type="checkbox"/> Identified resources are consistent with information contained in all applicable narrative prompts and accompanying attachments.</p>
<p><b>Financial Documentation - Increase Only</b></p>	<p><input type="checkbox"/> Financial Performance Response that addresses each measure for the most recent audited fiscal year presented in the dashboard where the charter holder received a “Does Not Meet Standard”.</p>



# Arizona State Board for Charter Schools

## Occupancy Compliance Assurance and Understanding

The Arizona State Board for Charter Schools (“Board”), at a meeting held on ~~June 8, 2009~~ **November 21, 2017**, approved a revised policy that requires new and existing charter holders to submit a copy of a valid Certificate of Occupancy and current Fire Marshal’s Inspection Report for each location where educational services will be provided prior to the initiation of ~~state~~ **State** equalization payments.

The Board will request that the Arizona Department of Education (“ADE”) withhold ~~state~~ **State** equalization assistance payments for 1) new charter schools that have signed a charter contract, 2) new schools under existing charter contracts, ~~and~~ 3) schools under existing charter contracts moving from one location to another, **and 4) new buildings/structures added to an existing school**, until the school has submitted valid copies of the required Certificate of Occupancy and current Fire Marshal’s Inspection Report for the new educational facility.

Once Board staff has verified that the appropriate documents for each school location have been received, the Board office will notify the Charter Holder and the ADE School Finance Unit’s Charter School Payment Manager that the school is eligible for payment. The ADE School Finance Unit will mark the school eligible for payment and a payment will generate in the next payment cycle if all other requirements of ADE School Finance have been met. Schools eligible for payment by the 20<sup>th</sup> of any month will generate a payment for the next month’s payment cycle. Schools marked eligible after the 20<sup>th</sup> of any month will not generate a payment in next month’s payment cycle. No off-system payments will be made.

Charter Holder Information	
Name of Charter Holder Entity	
School Location(s) for which the request applies	

Signature
<p>By signing below, I understand the Board’s policy and that I am required to submit an educational use Certificate of Occupancy and a current Fire Marshal’s Inspection Report to the Board office for each school facility operated by the Charter Holder. These documents must be verified by Board staff prior to occupancy of the building and prior to receipt of equalization payments for students enrolled at this school.</p> <p>I acknowledge that if these documents are not submitted prior to occupancy, the school’s opening date may be postponed and/or the Board may take action as allowed by statute and the charter contract.</p> <p>Charter Representative            Signature: _____ Date: _____</p>