

**Arizona State Board for Charter Schools
January 12, 2009
Executive Tower
1700 West Washington Street
Phoenix, Arizona 85007
Room B56**

MINUTES

Members Present-

Christy Farley, President
Norm Butler , Vice President
Mary Gifford, Superintendent Designee
Ruby Alvarado-Hernandez – Public Member
Arthur Ben – Charter School Teacher (telephonically from 9:34 a.m.
to 1:24 p.m.)
Dana Krals – Public Member
Magdalena Verdugo – Charter School Operator

Members Absent

Lynne Adams, Public Member

Meeting began at 9:34 a.m.

Agenda Item A: Pledge of Allegiance

Agenda Item B: Moment of Silence

Agenda Item C: Roll Call:

Andrea Esparza called the roll and confirmed a quorum.

Agenda Item D: Call to the Public

There were no requests to address the Board.

Agenda Item E: Election of Officers

MOTION

Norm Butler made a motion to elect Christy Farley
as Board President. Mary Gifford seconded the
motion.

Motion passed unanimously

MOTION

Mary Gifford made a motion to elect Norm Butler
as Vice President. Christy Farley seconded the
motion.

Motion passed unanimously

Agenda Item F: Arizona Charter Schools Association Update

Arizona Charter Schools Association CEO, Eileen Sigmund, provided an update of activities. Ms. Sigmund presented information on Charter Starter/Success Center, advocacy efforts, and work the association does with marketing and public relations. Ms. Sigmund indicated that the Charter Starter/Success Center offers facility support, school marketing and parent outreach, regulatory and compliance deadlines, business management for new charters, joint purchasing (health insurance; supplies) and data structures to drive student growth. Ms. Sigmund also indicated that the association is

advocating a targeted approach to the legislature to preserve funding. She further presented information on the bills being presented this legislative session which are related to zoning, enrollment preference, and afterschool programs versus childcare. Other relevant issues that are being watched by the association are on impact fees and tax credits. Ms. Sigmund encouraged the public to view the Draft Policy Principles on their website and encouraged the public to register to receive E-Updates from the association. Ms. Sigmund also spoke of the benefits and success of the association's marketing/PR.

Agenda Item G: Superintendent's Report

No updates to report

Agenda Item H: Executive Director's Report

1. Status of 4-Winds Academy, Inc., Academy of Arizona, Allsport Enterprises, Inc., Ascending Roots Scholastic & Athletic Premise, Inc., Bradley Academy of Excellence, Inc., CASY Country Day School, E.A.G.L.E. Academy, Legacy Education Group, Phoenix Advantage Charter School, Inc., Santa Cruz Valley Opportunities in Education, Inc., Vechij Himdag Alternative School, Inc.

Executive Director, DeAnna Rowe reported on the Board's on-going actions. Ms. Rowe indicated the Board directs staff to bring to the Board those schools that have failed to submit their financial audit reporting package and have had state aide withheld after two months of withholding for consideration of issuance of a Notice of Intent to Revoke. Ms. Rowe indicated that there are five schools who have failed to submit their audit and indicated that the February 9, 2009 meeting would be the next time to consider the following schools: 4-Winds Academy, Academy of Arizona, E.A.G.L.E. Academy, Santa Cruz Valley Opportunities in Education, Inc., and Vechij Himdag Alternative School, Inc.

2. Dove Learning, Inc.

Ms. Rowe provided an update on on-going legal issues of Dove Learning, Inc. Ms. Rowe reported that the court considered Dove Learning's Inc. motion for a sixty-day extension of the time for filing a petition for review and has ordered an extension to March 2, 2009.

3. State Board for Charter Schools Budget

Ms. Rowe provided an update on the agency's budget. Ms. Rowe stated that she plans to circulate the agency budget to the board in the upcoming weeks to consider possible restructuring of services offered to schools should the legislature, in their upcoming budget discussions for fiscal years 2009 and 2010, determine future reductions are necessary. President Farley requested regular updates to the Board of staff's operations.

Agenda Item I: Subcommittee Reports

Norm Butler, chairman of the Policy, Rule & Contracts Subcommittee, and Martha Morgan provided the Board with an update on the progress of the renewal process. The Board's participation in the NGA grant will conclude in May but the Board will continue to receive support through September. Ms. Morgan reported that she and Ms. Rowe will be traveling to the northern and southern parts of the state during the weeks of January 19th-26th to share information on the renewal process, answer questions and hear from stakeholders. She also stated the subcommittee is planning to hold another Policy, Rule & Contracts Subcommittee in early February.

Ms. Gifford provided an update on the Legislative Subcommittee's recent discussions. She indicated that the subcommittee met right before the holidays and discussed keeping the same course as in prior years where the Board affirmatively or negatively weighs in on bills that directly impact the operation of the Board and staff. She further stated that the subcommittee will also monitor bills that affect charter schools, as well as occasionally make recommendations to the Board to weigh in on behalf of certain bills that affect schools. There was a discussion related to a new GAAP standard regarding internal controls that was implemented with the audits for all charters this year and whether or not the new standard would require changes in the audit compliance questionnaire. The committee determined that, based upon the audit matrix, findings would not require a CAP but would be tracked over time and the Board could rely on the rules for renewal to determine the impact of the findings. Ms. Gifford publicly thanked Michele Diamond for her assistance, on behalf of the Arizona Charter Schools Association, in this discussion.

Agenda Item J: Consent Agenda

1. Canyon Rose Academy, Inc. – Change in mission / description
2. Center for Academic Success, Inc. – Change in number of instructional days
3. Children's Success Academy, Inc. – Decrease in grades served
4. Desert Rose Academy, Inc. - Change in mission / description
5. EDGE School Inc. – Change in graduation requirements
6. Mountain Rose Academy, Inc. - Change in mission / description
7. South Pointe Public Charter Middle School – Change charter holder name

MOTION

Mary Gifford made a motion to approve the consent agenda as presented. Dana Krals seconded the motion

Motion passed unanimously

Agenda Item K : Good Cause Extension Request for Consideration

1. Choice Academy, Inc.

Lisa Fink, representative of the school, addressed the Board and provided further information relating to the request for a Good Cause Extension.

MOTION

Norm Butler made a motion to approve the Good Cause Extension for Choice Academy, Inc. to the signing and execution of the charter contract until August 31, 2009 with a planned opening date of Fall 2009-2010 and that the applicant submit any documentation necessary to bring the application current with policy, rule, state or federal law at least 90 days prior to the signing of the contract. Mary Gifford seconded the motion.

Motion passed unanimously

2. Ed Ahead

John Penczar, representative of the school, addressed the Board and provided further information relating to the request for a Good Cause Extension. Mr. Penczar answered questions of the Board.

MOTION

Norm Butler made a motion to approve a Good Cause Extension to the signing and execution of the charter contract for Ed Ahead until January 31, 2010 or another date that provides a progress update and further consideration based on the approved new charter application at the time of consideration. After further discussion, Mr. Butler amended his motion to move to Approve the Good Cause Extension to the signing and execution of the charter contract for Ed Ahead until January 31, 2011 with a planned opening date of Fall 2011-2012 and that the applicant submit any documentation necessary to bring the application current with policy, rule, state or federal law at least 90 days prior to the signing of the contract. Mary Gifford seconded the motion.

Motion passed unanimously

3. New Destiny Leadership Charter School, Inc.

Barbara Tinsley, representative of the school, addressed the Board and provided further information relating to the request for a Good Cause Extension. Barbara Tinsley answered questions of the Board.

MOTION

Norm Butler made a motion to approve the Good Cause Extension to the signing and execution of the charter contract for New Destiny Leadership Charter School, Inc. until August 31, 2010 with a planned opening date of Fall 2010-2011 and that the applicant submit any documentation necessary to bring the application current with policy, rule, state or federal law at least 90 days prior to the signing of the contract. Mary Gifford seconded the motion.

4. Vast Investment, LLC

President Farley asked if a representative from school was available to answer questions. There was no representative from the school present. President Farley tabled the item and directed staff to try to reach the charter representative.

Motion passed unanimously

Agenda Item L: Compliance Matters

Andrea Leder addressed the Board and provided updates on issues of on-going non compliance of CASY Country Day School for their failure to comply with federal and state payroll tax requirements, failure to remain current with its member and employer contribution obligations to the Arizona State Retirement System and failure to comply with Classroom Site Fund requirements. Ms. Rowe also addressed the Board and provided the Board with updates on a recent discussion with the school regarding a possible surrender at the end of the fiscal year. Mr. French, the charter representative, addressed the Board and provided comments regarding this on-going issue. Kim Anderson, Assistant Attorney General, provided guidance on the timing of the possible surrender or revocation of the charter. If a surrender agreement is not met, the Board would issue a Notice of Intent to Revoke the charter.

MOTION

Norm Butler made a motion to direct staff to secure a surrender agreement of CASY Country Day School at the end of the 2009 fiscal year by January 28, 2009. The motion further stated that should staff not secure a surrender agreement by January 28, 2009, the Board issues a Notice of Intent to Revoke for: a) failure to comply with federal payroll tax requirements, b) failure to remain current with its member and employer contribution obligations to the Arizona State Retirement System, c) failure to comply with state payroll tax requirements, and d) failure to comply with Classroom Site Fund requirements. The motion also stated that within 48 hours of receipt of the Notice of Intent to Revoke, the charter operator shall notify staff, parent and guardians of registered students of the Notice of Intent to Revoke and Notice of Hearing, provide a school location where the copy may be reviewed. The motion continues to state that within 20 days of receipt of the notice, the charter operator shall provide copies of all correspondence and communication used to comply with the preceding provision and within 20 days of receipt of notice, the charter operator shall provide the Board with the names and mailing addresses of parents and guardians of all students registered at the school. Mary Gifford seconded the motion.

Motion passed unanimously

There was a short discussion held regarding Item K.4.Vast Investment, LLC which was tabled earlier during the meeting. Ms. Rowe stated that staff was able to speak to the charter representative via telephone. The charter representative indicated that he was unable to make the trip to attend the meeting today. Ms. Farley asked if staff could set up a telephonic conference for the school to participate in the consideration of a Good Cause Extension Request for Consideration at 1:00 p.m. Item was further tabled until 1:00 p.m.

Agenda Item M: New Charter Application

President Farley opened the discussion on this agenda item. Mr. Butler made a recommendation to move some agenda items and recuse himself from those discussions due to a conflict of interest. Item M.5 was moved and placed after Item M.11. Ms. Farley provided information on the process for Board consideration and discussions of this agenda item.

1. Academy Del Sol, Inc.

Sara Riegert and Jason Riegert, representing Academy Del Sol, Inc. addressed the Board, provided some background information on their qualifications, experience and education.

2. Alhambra Education Partnerships, Inc.

The Board asked for clarification regarding funding for this charter applicant. Ms. Rowe stated that staff is still engaged in discussions with the Arizona Department of Education's School Finance division regarding how statute applies to the applicant. Ms. Rowe stated that she believes the applicant acted in good faith on interpretation of statute. Discussions will continue between the applicant and School Finance and it will be up to the applicant to determine if funding will be adequate. Jim Rice, representing Alhambra Education Partnerships, addressed the Board. Mr. Rice introduced Alhambra Education Partnerships members. He further provided some background information, qualifications, experience and education of the school's Board. Mr. Rice answered questions from the Board.

3. Camp Verde Unified School District (Camp Verde Dual Language School)

The Board held a short discussion regarding funding and staff discussions with School Finance related to eligibility of funding in the first year of operation. Ms. Rowe stated the applicant has provided a budget that supports either operation without the additional funding. There was also a discussion regarding the school's eligibility to receive ELL funding. Ms. Gifford stated that, if the school is not following the Structured English Immersion model, they would not be eligible to receive ELL funding. Steve Hicks, representing the school, addressed the Board and answered questions. Christy Farley extended her appreciation for their efforts to open a school in rural areas.

4. Camp Verde Unified School District (Camp Verde World

MOTION

Mary Gifford made a motion to approve and grant the charter application of Academy Del Sol, Inc. Magdalena Verdugo seconded the motion.

Motion passed unanimously

MOTION

Mary Gifford made a motion to approve and grant the charter application of Alhambra Education Partnerships. Ruby Alvarado Hernandez seconded the motion.

Motion passed unanimously

MOTION

Norm Butler made a motion to approve and grant the charter application for Camp Verde Unified School District dba Camp Verde Dual Language School. Ruby Alvarado Hernandez seconded the motion.

Motion passed unanimously

School)

Amy Romero addressed the Board on behalf of the school. Ms. Romero provided background information, qualifications, experience and education of their Board and staff. Ms. Romero answered questions from the Board.

Break: 11:35 a.m. to 11:50 a.m.

Item M. 5. was moved to the end of Item M.11.

6. Opportunities for Youth, Inc.

Jill Gaitens addressed the Board on behalf of the school. Ms. Gaitens provided some background information, qualifications, experience and education of their Board. Ms. Gaitens answered questions from the Board related to the school's calendar.

7. Phoenix Collegiate Academy, Inc.

Rachel Bennett addressed the Board on behalf of the school. Ms. Bennett provided some background information, qualifications, experience and education of their Board and staff. Ms. Bennett answered questions from the Board related to the grade levels and school's growth.

8. Successful Beginnings, Inc.

Eve Hoskins addressed the Board on behalf of the school. Ms. Hoskins provided some background information of application, qualifications, experience and education of their Board and staff. Ms. Hoskins answered questions from the Board specifically related to the school's grade levels and student enrollment.

9. The Educational Options Foundation

William Sawner addressed the Board on behalf of the school. Mr. Sawner provided some background information, qualifications, experience and education of their Board and staff. Mr. Sawner answered questions from the Board related to the school's calendar and their additional sixth day.

10. The Odyssey Preparatory Academy, Inc.

Megan Olson addressed the Board on behalf of the school. Ms. Olson provided some background information, qualifications, experience and education of their Board and staff. Ms. Olson answered questions and provided clarification related to the school's alternative calendar and discrepancies in the Background Information Sheet related to her work experience.

MOTION

Norm Butler made a motion to approve and grant the charter application for Camp Verde Unified School District dba Camp Verde World School. Ruby Alvarado Hernandez seconded the motion.

Motion passed unanimously

MOTION

Mary Gifford made a motion to approve the application and grant the charter for Opportunities for Youth, Inc. Ruby Alvarado Hernandez seconded the motion.

**Motion passed 6-0
(abstain: Arthur Ben)**

MOTION

Mary Gifford made a motion to approve the application and grant the charter for Phoenix Collegiate Academy. Ruby Alvarado Hernandez seconded the motion.

Motion passed unanimously

MOTION

Mary Gifford made a motion to approve the application and grant the charter for Successful Beginnings, Inc. Ruby Alvarado Hernandez seconded the motion.

Motion passed unanimously

MOTION

Mary Gifford made a motion to approve the application and grant the charter for Educational Options Foundation. Ruby Alvarado Hernandez seconded the motion.

Motion passed unanimously

MOTION

Mary Gifford made a motion to approve the application and grant the charter for The Odyssey Preparatory Academy, Inc. Ruby Alvarado Hernandez seconded the motion.

Motion passed unanimously

11. Vector School District

Ronda Owens and Brian Shipman addressed the Board on behalf of the school. Ms. Owens provided some background information on the application.

MOTION

Mary Gifford made a motion to approve the application and grant the charter for Vector School District. Ruby Alvarado Hernandez seconded the motion.

Motion passed unanimously

5. North View Public Charter High School

Michele Kaye addressed the Board on behalf of the school. Ms. Kaye provided some background information on the application and introduced the school’s Board and staff. Ms. Kaye also provided some background information on the Leona Group, the management company that will be operating the charter school.

MOTION

Mary Gifford made a motion to approve the application and grant the charter for North View Public Charter High School. Ruby Alvarado Hernandez seconded the motion.

**Motion passed unanimously
(absent: Norm Butler)**

12. Verde Secondary Academy Public Charter High School

Michele Kaye addressed the Board on behalf of the school and provided some background information on the application. Ms. Kaye stated that the school model anticipates a traditional population and places an emphasis on community service.

MOTION

Mary Gifford made a motion to approve the application and grant the charter for Verde Secondary Academy Public Charter High School. Ruby Alvarado Hernandez seconded the motion.

**Motion passed unanimously
(absent: Norm Butler)**

13. Vista Pointe Public Charter Elementary School

Michele Kaye addressed the Board on behalf of the school and provided some background information on the application. Ms. Kaye answered questions from the Board related to sufficient enrollment and growth in the planned area and the Leona Group’s operation of elementary schools in other locations in the country and in Arizona.

MOTION

Mary Gifford made a motion to approve the application and grant the charter for Vista Pointe Public Charter Elementary School. Ruby Alvarado Hernandez seconded the motion.

**Motion passed unanimously
(absent: Norm Butler)**

Agenda Item N: New Charter School Applications

President Farley introduced this agenda item. Ms. Farley stated the Board will now consider the applications that did not provide evidence of a comprehensive program of instruction and/or a detailed business plan but who requested that their applications be forwarded to the Board for consideration. Ms. Farley stated that Mesa School-Community Alliance, Item N.6, has withdrawn their application for consideration.

1. Agape Instructional Resources

Julie Jimenez and Stephanie Sharp addressed the Board on behalf of the school. Ms. Jimenez and Ms. Sharp provided some background information, qualifications, experience and education of their Board

MOTION

Norm Butler made a motion to not accept and approve the charter for Agape Instructional

and staff. Ms. Sharp answered several questions from the Board related to financing and budget, facilities, professional development, and organizational structure. The Board asked Ms. Sharp to explain a discrepancy in what she reported for work experience and what was reported in the Background Information Sheet.

Resources. Mr. Butler made comments regarding the opening date of the charter. Mr. Butler revised his motion to state: not accept and approve the charter for Agape Instruction Resources. Mary Gifford seconded the motion and made an amendment to the motion presented by Mr. Butler. Ms. Gifford stated that the motion shall state this as a denial. She further stated that statute requires the Board to cite specific reason for denial. Ms. Gifford cited: that the applicant failed to meet the scoring criteria of the Business Plan section; received a "Falls Below the Expectation" and 5 of the 39 areas received a score of "Approaching" including a lack of secure credit and a lack of a timeline for opening this fall. Mr. Butler accepted the amendments as presented.

Motion passed unanimously

Agenda Item K : Good Cause Extension Request for Consideration

This item was previously tabled. Board will consider the request for Good Cause Extension Request for Consideration for Vast Investment, LLC. Ms. Farley expressed the importance of applicants providing the Board with accurate and up to date contact information.

4. Vast Investment, LLC.

Derrick Ethington participated telephonically. Mr. Ethington addressed the Board and provided information related to the school's request for a Good Cause Extension Request for Consideration. Mr. Ethington indicated that the property is secured but they have experienced financing issues which have caused a delay in the building. He stated that the corporation may partner with another group that is already operating a charter school.

MOTION

Norm Butler made a motion to approve the Good Cause Extension to the signing and execution of the charter contract for Vast Investment, LLC. until August 31, 2010 with a planned opening date of Fall 2010-2011 and that the applicant submit any documentation necessary to bring the application current with policy, rule, state or federal law at least 90 days prior to the signing of the contract. Magdalena Verdugo seconded the motion.

Motion passed unanimously

Agenda Item N: New Charter Application (continued)

2. Arizona Academy of Leadership, Inc.

Tonya Strozier addressed the Board on behalf of the school. Ms. Strozier provided some background information on the current charter school, qualifications, experience and education. Ms. Strozier answered several of the Board's questions related to the school's failure to meet all of the substantive eligibility criteria in the scoring rubric and the school's expenditures for personnel benefits and employee related expenses as identified in the budget.

MOTION

Mary Gifford made a motion to accept the application and grant the charter for Arizona Academy of Leadership, Inc. Dana Krals seconded the motion.

**Motion passed unanimously
(absent: Arthur Ben)**

Break: 1:39 p.m. to 1:50 p.m.

3. BNE Ashur Organization

Benipal Benjamin and Esther Davis addressed the Board on behalf of the school. Mr. Benjamin introduced Board members and individuals associated with the school. Mr. Benjamin provided an explanation for changing the application from K-6 to K-4. Further, Mr. Benjamin and Ms. Davis answered several questions related to the school’s failure to meet all of the eligibility criteria of the scoring rubric as well as other questions from the Board regarding changes in staff, corporate members, and number of grade levels served.

MOTION

Mary Gifford made a motion to reject the charter application and deny the charter for BNE Ashur Organization for failure to meet 1.3.1d, 1.3.1e, 1.3.2d, 1.3.5b, 1.3.5c, 1.3.5d, 1.3.5e, 1.3.6b, 1.3.6c, 1.3.6d and 1.3.6e and 2.9n. Magdalena Verdugo seconded the motion.

**Motion passed unanimously
(absent: Arthur Ben)**

4. Camp Verde Unified School District (South Verde Technology Magnet)

Steve King addressed the Board on behalf of the school. Mr. King answered questions and provided some background information related to the charter application. He clarified the role of the satellite campus as a supplemental program for credit recovery. He further answered the Board’s questions on the promotion and retention policy,, class size, and addressed the school’s failure to meet all of the eligibility criteria of the scoring rubric.

MOTION

Mary Gifford made a motion to approve the application and grant the charter for Camp Verde Unified School District dba South Verde Technology Magnet. Ruby Alvarado Hernandez seconded the motion.

**Motion passed 5-0
(absent: Arthur Ben)**

5. Inspired Caring Education, Inc.

Thomas LaVoie and Tessa Dixon addressed the Board on behalf of the school. Mr. LaVoie provided some background information, qualifications, experience and education of their Board and staff. Mr. LaVoie addressed several questions from the Board related to the school’s failure to meet all of the eligibility criteria in the scoring rubric. Mr. LaVoie stated he added two members to the corporate board after the original submission of the application. President Farley stated that the Board does not have background information on the two additional members and that it is important to conduct background checks on those operating a charter.

MOTION

Mary Gifford made a motion to table the consideration of the charter application and granting of the charter for Inspired Caring Education, Inc. until full background checks on the two additional applicants may be completed. Ruby Alvarado Hernandez seconded the motion.

**Motion passed unanimously
(absent: Arthur Ben)**

6. Mesa School-Community Alliance

This applicant withdrew their application prior to the meeting.

7. Research Based Education Corporation

Richard Hay addressed the Board on behalf of the school. Mr. Hay also introduced Curtis Porter and James Sexton as Board members of the school. Mr. Hay provided some information related to the school’s failure to meet all of the substantive eligibility criteria in the scoring rubric. Mr. Hay stated that six Approaches stem from the same issue in writing, from grades K-5. Mr. Hay’s explanation of the issue applied to all grade levels affected.

MOTION

Mary Gifford made a motion to accept the application and grant the charter for Research Based Education Corporation. Ruby Alvarado Hernandez seconded the motion.

**Motion passed unanimously
(absent: Arthur Ben)**

