

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 JUL 14 2009

CHARTER HOLDER STATUS AMENDMENT REQUEST

(Charter Holder Name) Laveen Preparatory School - A Challenge Academy (CTDS) 078550000

(Charter Holder Mailing Address) 4300 North Miller Road, Suite 141

(City, State) Scottsdale, Arizona (Zip) 85251

(Charter Representative's Name) Joan Lange and Anthony Best

(Phone Number) 813-832-3832 (Fax Number) 480-222-2044

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
- Other (please explain)

Included are the following:

- Board minutes approving the change (minutes must comply with Open Meeting Law ARS §38-431.01)
- Copy of amendment to Articles of Incorporation filed with the Arizona Corporation Commission
- * Additional materials may be requested as required by the type of request

The Arizona State Board for Charter Schools and Laveen Preparatory School - A Challenge Academy (Charter Holder), herein agree to amend the terms of the charter contract as follows:

FROM: Laveen Preparatory School - A Challenge Academy

TO: Challenge Foundation Academies of Arizona, Inc.

In witness whereof, Charter Holder has signed this contract amendment as of this 13th day of July, 2009, and the State Board for Charter Schools has signed this contract amendment as of this _____ day of _____, 200__, 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

**Laveen Preparatory School: A Challenge Foundation Academy dba
Pioneer Preparatory School: A Challenge Foundation Academy**

Minutes of the Board of Directors

Tuesday, April 28, 2009, at 4:00 p.m.

Held at the offices of Beus Gilbert, 4800 N. Scottsdale Road, Scottsdale, AZ

Board Members Present: Terry Warren, Clint Bolick, Steve Bryan, Bill Imparato, Jason Klonoski, Joan Lange, Cheryl Reinstadler, BJ Steinbrook

Board Members Absent: Sally Rudd

Also Present: Tony Best, School Director

The meeting was called to order by Terry Warren at 4:06pm and a quorum was established.

APPROVAL OF AGENDA

BJ Steinbrook moved, Clint Bolick seconded and it was unanimously approved to adopt the agenda as stated.

APPROVAL OF MINUTES

Joan Lange moved, Bill Imparato seconded and it was unanimously approved to adopt the minutes of the March 23rd, 2009 meeting.

PUBLIC COMMENT

There was no public comment

COMMITTEE REPORTS

Jason Klonoski advised that the account balance is \$27,813.26.

BJ Steinbrook reviewed the meeting of the Finance Committee with Tisha Crisler, which took place prior to the board meeting. He advised that she will continue to do the bookkeeping services for the school and will assist in the necessary IRS filings. Internal controls, vendor accounts and the finalization of a budget were also discussed.

Steve Bryan gave the building committee report and advised that progress was being made with the design team and weekly meetings are occurring with Jason Klonoski in attendance. Steve is also moving ahead with the process of applying for New Market Tax Credits for the new building.

Joan Lange spoke of the value of having Michelle Thompson available to assist Tony Best in the start up of the school.

Cheryl Reinstadler reported on the luncheon provided by the Challenge Foundation on April 13th at the Boys & Girls Club and the contacts made as a result. (CPLC and YMCA). Liz Imparato and Cheryl have advised Tony Best that they will be available to help with staff interviews as they approach.

There was discussion regarding the grade levels to be served for the 2009-2010 school year.

Cheryl Reinstadler moved to limit the recruitment and enrollment to Grades K-2 for the school year of 2009/10, with the return to Grades K-8 enrollment in the 2010/2011 school year. BJ Steinbrook seconded and it was unanimously approved.

Tony Best outlined his report (att.). The calendar, new staff hiring, salary schedules, vendor contracts, and the operations report were discussed.

Joan Lange moved to approve the hiring of Liz Ogden as a Classroom Teacher and Vanessa Jiminez as a Secretary. BJ Steinbrook seconded and it was unanimously approved.

Several SIS systems were discussed, along with IT services. The topic was tabled for further discussion.

REGULATORY ISSUES

Terry Warren reviewed the change of the Charter representatives, the final approval of all board members except Steve Bryan and the address changes.

After discussion of the corporate name change, it was moved by Clint Bolick, seconded by BJ Steinbrook and unanimously approved to change the corporate name to: Challenge Foundation Academies of Arizona, Inc.

BJ Steinbrook moved, Clint Bolick seconded and it was unanimously approved to file the trade name of: Pioneer Preparatory School: A Challenge Foundation Academy with the Secretary of State.

The Articles of Incorporation and the Bylaws were discussed. No action was taken.

The next meeting will be on Tuesday, May 26th at the offices of Beus Gilbert.

ADJOURN

BJ Steinbrook moved and Jason Klonoski seconded to adjourn the meeting. It was unanimously approved and the meeting was adjourned at 6:40pm.

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WARREN BANKER



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AZ CORPORATION COMMISSION
FILED

JUN 18 2009

FILE NO. -1093985-2

**AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
LAVEEN PREPARATORY SCHOOL
- A CHALLENGE ACADEMY
(an Arizona nonprofit corporation)**

The undersigned members of the Board of Directors of Laveen Preparatory School - A Challenge Academy, an Arizona nonprofit corporation, desiring to amend and restate the Corporation's Articles of Incorporation, hereby adopt these Amended and Restated Articles of Incorporation.

ARTICLE I - NAME

The name of the Corporation shall be CHALLENGE FOUNDATION ACADEMIES OF ARIZONA, INC.

ARTICLE II - PURPOSE

A. The Corporation is formed to operate exclusively for charitable, research and educational purposes, and to conduct any and all lawful business for which non-profit corporations may be incorporated under the laws of Arizona, as they may be amended from time to time.

B. The specific purpose for which the Corporation is formed is to organize and operate public charter schools within the State of Arizona and under Arizona law, to conduct other educational or similar activities and all acts incidental thereto.

C. The Corporation is organized only for charitable, educational and scientific purposes as defined in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended ("the Code"), including distributions to organizations that qualify as exempt under Section 501(c)(3) of the Code and initially and specifically for the purpose of operating public charter schools. Regardless of other provisions of these Amended and Restated Articles of Incorporation, the Corporation shall not carry on any activities not permitted for a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or for a corporation, contributions to which are deductible under Section 170(c)(2) of the Code, or the corresponding section of any future federal tax code.

D. No substantial part of the Corporation's activities shall be to carry on propaganda or attempt to influence legislation, nor shall the Corporation participate in any political campaign for any candidate for public office, including the publishing or distribution of statements.

E. The Corporation shall not be for profit or pecuniary gain and shall have no capital stock or shares; and no part of any earnings of the Corporation shall inure to the benefit of, or be distributable to, any Officer or Director of the Corporation, any private individual or be appropriated for any purposes other than the purposes of the Corporation as set forth herein; provided, however, that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of the Corporation as set forth herein.

AZ CORPORATION COMMISSION
FILED

JUN 24 2009

FILE NO. -1093985-2

ARTICLE III - BOARD OF DIRECTORS

A Board of Directors, composed of not less than three Directors and not more than 15 Directors (or such other greater or lesser number as provided by the Corporation's Bylaws), shall conduct the affairs of the Corporation and be responsible for the governance and operation of the Corporation. The following persons are the Corporation's existing Board of Directors at the time these Amended and Restated Articles of Incorporation are adopted:

Steve Bryan, 7606 SW Kelly Avenue Portland, Oregon 97219;
William Imperato, 4800 North Scottsdale Road, Suite 6000, Scottsdale, Arizona 85251;
Jason Klonoski, 4444 North Dromedary Road, Phoenix, Arizona 85018;
Joan Lange, 6104 Yeats Manor Drive, Tampa, Florida 33616;
Cheryl Reinstadler, 14550 SW Hazeltree Terrace, Tigard, Oregon 97224;
Sally Rudd, 13015 North 96th Place Scottsdale, Arizona 85260;
William Steinbrook, Jr., P.M.B. 302, 1900 Preston Road #267, Plano, Texas 75093; and
Terry Warren, 4300 North Miller Road, Suite 141, Scottsdale, Arizona 85251.

ARTICLE IV - STATUTORY AGENT

The name and address of the statutory agent of the Corporation is: William Imperato, 4800 North Scottsdale Road, Suite 6000, Scottsdale, Arizona 85251.

ARTICLE V - PRINCIPAL OFFICE

The address of the office of the Corporation is 6629 West Clarendon Avenue, Phoenix, Arizona 85033.

ARTICLE VI - INCORPORATOR

The name and address of the original incorporator was: Vicki L. White, P.O. Box 1238, Celina, Texas 75009.

ARTICLE VII - MEMBERS

The Corporation shall not have members.

ARTICLE VIII - DURATION

The duration of the Corporation shall be perpetual.

ARTICLE IX - DISSOLUTION

Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of its assets exclusively for the purposes of the Corporation in such manner, or to such organizations organized and operated exclusively for charitable, educational, religious or scientific purpose as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Code (or the

corresponding section of any future federal tax code), as the Board of Directors shall determine. Any such assets not disposed of by the Board of Directors shall be disposed of by the Superior Court of the county in which the principal office of the Corporation is then located, exclusively for such purpose or to such organization or organizations, as such Court shall determine and as permitted by applicable law.

ARTICLE X - PRIVATE FOUNDATION

In the event that the Corporation is ever deemed to be a private foundation, as defined in Section 509 of the Code, and while it is a private foundation, the Corporation shall:

- A. distribute its income for each tax year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code;
- B. not engage in any action of self-dealing as defined in Section 4941(d) of the Code;
- C. not retain any excess business holdings as defined in Section 4943(c) of the Code;
- D. not make any investments in such manner as to subject the Corporation to tax under Section 4944 of the Code; and
- E. not make any taxable expenditures as defined in Section 4945(d) of the Code.

ARTICLE XI - PRIVATE PROPERTY

The private property of the Directors, School Board members, committee members and Officers of the Corporation shall be forever exempt from the debts, obligations and liabilities of the Corporation.

ARTICLE XII - INDEMNIFICATION

The Corporation shall indemnify its Directors, School Board members, committee members and Officers, in all circumstances and to the maximum extent permitted by Arizona law then in effect, against any costs or expenses, including, without limitation, attorneys' fees, judgments, fines, penalties, taxes, interest, and amounts paid in settlement, actually incurred by reason of the fact that he or she is or was a Director, School Board member, committee member or Officer of the Corporation, or is or was serving at the request of the Corporation as a director, officer, committee member or agent of another corporation, partnership, company, joint venture, trust or other entity or organization.

ARTICLE XIII - DIRECTOR LIABILITY

A Director, School Board member or committee member of the Corporation shall not be personally liable to the Corporation for breach of his or her fiduciary duty as a Director, School Board member or committee member, nor for any action taken or failure to take any action in his or her corporate capacity. This Article shall eliminate the liability of Directors, School Board members and committee members to the maximum extent permitted by Arizona law then in effect,

but shall not eliminate or limit the liability of a Director, School Board member or committee member for the acts or omissions specified in Arizona Revised Statutes Section 10-3202.B.1. Any repeal or modification of this Article shall not increase the liability of a Director, School Board member or committee member of the Corporation arising out of acts or omissions occurring before the repeal or modification becomes effective.

ARTICLE XIV - DISCRIMINATION PROHIBITED

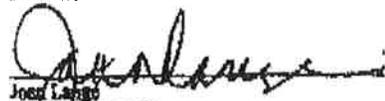
In rendering its functions and in exercising its purposes, the Corporation shall not practice or permit unlawful discrimination on the basis of race, color, religion, sex, national origin, age or disability.

ARTICLE XV - AMENDMENT

These Amended and Restated Articles of Incorporation may be amended or restated by the majority vote of the Board of Directors of the Corporation or as otherwise provided by the Corporation's Bylaws, provided that these Amended and Restated Articles of Incorporation may not be amended or restated so as to cause a determination that the Corporation is no longer an organization qualifying under Section 501(c)(3) of the Code, or the corresponding section of any future federal tax code.

EXECUTED this 17th day of June 2009.

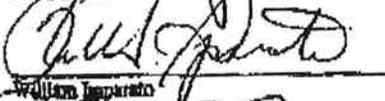
Directors:

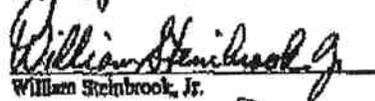

Joel Lange


Cheryl Reinstadler

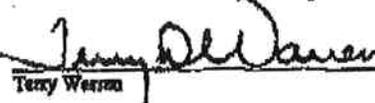

Steve Bryan


Sally Ruddy


William Leparato

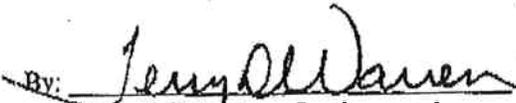

William Steinbrook, Jr.


Jason Kibicki


Terry Warren

ADOPTED BY UNANIMOUS VOTE OF THE BOARD
OF DIRECTORS ON MAY 26, 2009.

LAVEEN PREPARATORY SCHOOL - A CHALLENGE
ACADEMY, an Arizona nonprofit corporation

By: 
Terry D. Warren, its President and
Chairman of the Board