Mountain Oak School, Inc. - Entity ID 78873
School: Mountain Oak Charter School

Renewal Executive Summary

Background

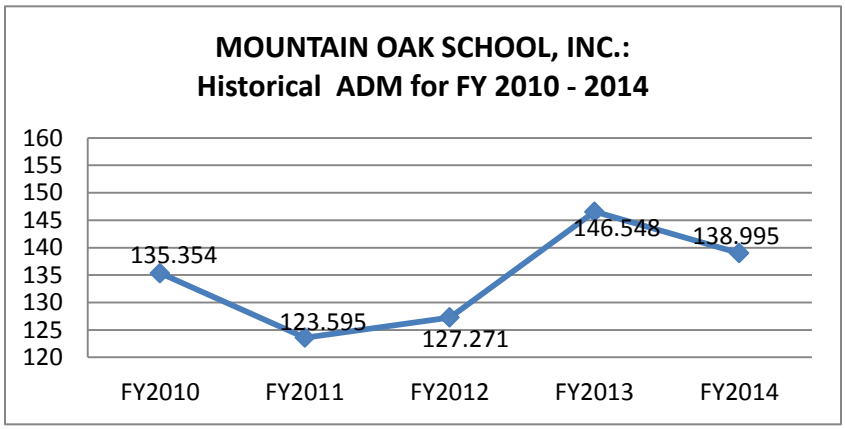
Mountain Oak School, Inc. failed to submit an application for renewal of its charter by May 24, 2013. On May 30, 2013, Mountain Oak School, Inc. submitted a renewal application after the deadline date on which the application was due to the Board. At the Board meeting on June 10, 2013, Mountain Oak School, Inc. requested that the Board accept the renewal application submitted untimely so that Mountain Oak School, Inc. may be considered at a subsequent Board meeting. The Board accepted the late submission on the condition that Mountain Oak School, Inc. agree to waive the Board's timeframe for written notice of its decision on Mountain Oak School, Inc.'s application and acknowledge that Arizona law does not allow for the charter holder to operate its school beyond the charter expiration date if Mountain Oak School, Inc.'s request for renewal of its charter is denied. Board staff received Mountain Oak School, Inc.'s acknowledgement of these conditions on June 14, 2013 (presented in the charter holder's renewal portfolio: g. Acknowledgement).

Performance Summary

At the time of the renewal notification, Mountain Oak School, Inc. met the Board's academic performance expectations and was waived from submitting the Academic Performance Section of the renewal application. When the 2013 academic data became available, Mountain Oak School, Inc. did not meet the Board's academic performance expectations as set forth in the Performance Framework adopted by the Board and was required to submit a Demonstration of Sufficient Progress to be considered as part of the renewal application package. The charter holder was also required to submit the Financial Sustainability portion of the Detailed Business Plan Section of the renewal application. The charter holder's submission addressed those measures where the charter holder received a "Does Not Meet Standard" rating for fiscal year 2012. The charter holder did have compliance matters. The charter holder's organizational membership on file with the Board is consistent with the information on file with the Arizona Corporation Commission.

Profile

Mountain Oak School, Inc. operates one school, Mountain Oak Charter School, serving grades K-8 in Prescott. The graph below shows the charter holder's actual 100th day average daily membership (ADM) for fiscal years 2010-2013, and 40th day ADM for fiscal year 2014.



A dashboard representation of Mountain Oak Charter School's academic outcomes, based upon the indicators and measures adopted by the Board, is provided below.

Academic Performance

Edit this section.

Mountain Oak Charter School

		2012 Traditional Elementary School (K-8)			2013 Traditional Elementary School (K-8)		
1. Growth		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
1a. SGP	Math	52	75	12.5	42	50	12.5
	Reading	53	75	12.5	59	75	12.5
1b. SGP Bottom 25%	Math	67	100	12.5	30	25	12.5
	Reading	66	100	12.5	51	75	12.5
2. Proficiency		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
2a. Percent Passing	Math	38 / 64.1	50	7.5	46 / 63.8	50	7.5
	Reading	79 / 77.5	75	7.5	76 / 79	50	7.5
2b. Composite School Comparison	Math	-24	25	7.5	-14.7	50	7.5
	Reading	3.2	75	7.5	-0.1	50	7.5
2c. Subgroup ELL	Math	NR	0	0	NR	0	0
	Reading	NR	0	0	NR	0	0
2c. Subgroup FRL	Math	43 / 55.2	50	3.75	41 / 54.5	50	3.75
	Reading	79 / 69.9	75	3.75	76 / 72.5	75	3.75
2c. Subgroup SPED	Math	23 / 24.8	50	3.75	15 / 21.7	50	3.75
	Reading	62 / 37.7	75	3.75	54 / 38.8	75	3.75
3. State Accountability		Measure	Points Assigned	Weight	Measure	Points Assigned	Weight
3a. State Accountability		B	75	5	C	50	5
Overall Rating		Overall Rating			Overall Rating		
Scoring for Overall Rating 89 or higher: Exceeds Standard <89, but > or = to 63: Meets Standard <63, but > or = to 39: Does Not Meet Standard Less than 39: Falls Far Below Standard		73.75		100	55		100

I. Success of the Academic Program

The FY 2013 overall rating for the school on the Board's academic performance measures was 55 including points received for the FY 2013 letter grade of C as reported by the Arizona Department of Education. The FY 2012 overall rating for the school on the Board's academic performance measures was 73.75 including points received for the FY 2012 letter grade of B as reported by the Arizona Department of Education.

The following is a timeline of activities that have occurred related to the academic performance of Mountain Oak School, Inc.:

February 21, 2013: Board staff provided the charter holder, through its authorized representative, Ms. Anna Carnegie Marx, with Renewal Notification Information, which included notification of the renewal process, the date on which the charter holder would become eligible to apply for renewal (February 24, 2013), the deadline date on which the application would be due to the Board (May 24, 2013), and information on the availability of the charter holder's renewal application as well as instruction on how to access the application.

May 24, 2013: Mountain Oak School, Inc.'s renewal application was due. Mountain Oak failed to submit an application for renewal.

May 29, 2013: Board staff notified Anna Carnegie Marx, authorized representative for Mountain Oak School, Inc., that, because no renewal application was submitted by the charter holder, the charter of Mountain Oak School, Inc. to operate Mountain Oak Charter School would expire on August 24, 2014.

May 30, 2013: Mountain Oak School, Inc. submitted a renewal application through the online database to the Board.

June 10, 2013: Mountain Oak School, Inc. requested that the Board accept the renewal application submitted untimely so that Mountain Oak School, Inc. may be considered at a subsequent Board meeting. The Board accepted the late submission.

July, 2013: Mountain Oak School, Inc.'s organizational membership on file with the Board was inconsistent with the information on file with the Arizona Corporation Commission. Therefore, due to non-compliance, the charter holder's renewal application could not be considered the Board at its July or August meeting.

September, 2013: The Board released 2013 Academic Dashboards; Mountain Oak Charter School did not meet the Board's academic expectations and was assigned a Demonstration of Sufficient Progress (DSP).

November 12, 2013: Mountain Oak School, Inc. timely submitted the DSP.

Following a preliminary evaluation on December 6, 2013 of the DSP, staff conducted a site visit on December 18, 2013 to meet with Anna Marx, Board President, ElizaBeth Wildemaan, Director, Robert Ernst, Board Member/Parent, Martha Jensen, Business Manager, and Gena Hahn, Kindergarten Teacher

to confirm the documentation presented in the DSP and review additional information to be considered in the final evaluation (presented in the charter holder's renewal portfolio: c. DSP Evaluation Instrument) of the charter holder's Demonstration of Sufficient Progress submission.

Demonstration of Sufficient Progress

The DSP submitted by Mountain Oak School, Inc. was required to address the areas (curriculum, monitoring instruction, assessment, and professional development) for the measures for which the charter holder was required to provide a response. The charter holder was provided a copy of the initial evaluation prior to the site visit and informed that areas initially evaluated as not acceptable could be addressed with additional evidence and documentation at the time of the visit. The charter holder also had 48 hours following the site visit to submit relevant documentation.

After considering information in the DSP, evidence and documentation provided at the time of the site visit, and additional documentation submitted following the site visit, the charter holder failed to provide evidence of a curriculum aligned to the standards, failed to provide a systematic process for monitoring and recording the implementation of the standards in instruction, failed to provide a comprehensive assessment system based upon clearly defined performance measures aligned with the curriculum, and failed to provide a comprehensive professional development plan that was aligned to teacher needs. A summary of findings for each required area as evaluated is provided below:

Curriculum:

Mountain Oak School, Inc. did not successfully demonstrate a system to create, implement, evaluate, and revise curriculum, including supplemental curriculum aligned with Arizona's College and Career Ready Standards and supported by data and analysis. Lesson plans aligned to the standards and documentation to demonstrate the beginning stages of curriculum alignment was provided at the site visit. However, there was no evidence of curriculum maps, pacing guides, committee work, or data review teams to show evidence of a system to create, implement, evaluate, and revise school curriculum.

Monitoring Instruction:

Mountain Oak School, Inc. did not successfully demonstrate a system to monitor the integration of Arizona's College and Career Ready Standards into instruction and the evaluation of instructional practices of the teachers supported by data, data analysis and feedback to further develop the system. A piloted teacher evaluation from last school year, a single teacher evaluation from the current school year, assessment result reports, and an observation schedule for 2014 was provided at the site visit. No evidence of standards checklists, data review teams, or lesson plan reviews were provided. The evidence provided did not demonstrate a system to monitor the integration of standards into instruction or a system to evaluate the instructional practices of teachers.

Assessment:

Mountain Oak School, Inc. did not successfully demonstrate a comprehensive assessment system based on clearly defined performance measures aligned with the curriculum and instructional methodology that includes data collection and analysis from multiple assessments. At the site visit, EasyCBM assessment results were provided, however no data analysis or description of how the results were used to inform instruction or professional development was provided.

Professional Development:
Mountain Oak School, Inc. did not successfully demonstrate a comprehensive professional development plan that is aligned with teacher learning needs, includes follow up and monitoring strategies, and is supported by data and analysis. Certificates and receipts of professional development on Common Core from the current and previous school year were provided at the site visit. Additionally, forms completed by staff to identify plans for follow up were provided for the current school year. However, no documentation of how professional development was determined or monitored was provided.

Following the site visit, staff determined, through an evaluation of the submission, including information and documentation collected that the charter holder did not demonstrate sufficient progress towards the Board's academic performance expectations.

II. Viability of the Organization

The charter holder did not meet the Board's financial performance expectations because the charter holder received two or more "Does Not Meet Standard" in fiscal year 2012. Since the charter holder was notified of its eligibility to apply for renewal, the Board has received the fiscal year 2013 audit. The following table includes the charter holder's financial data and financial performance for the last three audited fiscal years.

Mountain Oak School, Inc.

Financial Data				
	2013	2012	2011	
Statement of Financial Position				2010
Cash	$114,530	$82,969	$251,249	$123,572
Unrestricted Cash	$98,148	$78,447	$205,011	
Other Liquidity	$30,000			
Total Assets	$1,744,267	$1,358,689	$1,445,192	
Total Liabilities	$1,624,227	$1,275,126	$12,184,091	
Current Portion of Long-Term Debt & Capital Leases	$20,875	$17,072	$13,692	
Net Assets	$120,040	$83,563	$161,101	
Statement of Activities				
Revenue	$1,183,692	$1,057,141	$1,018,188	
Expenses	$1,147,215	$1,134,679	$986,465	
Net Income	$36,477	($77,538)	$31,723	
Change in Net Assets	$36,477	($77,538)	$31,723	
Financial Statements or Notes				
Depreciation & Amortization Expense	$40,504	$39,235	$1,157	
Interest Expense	$103,550	$69,351	-	
Lease Expense	$5,346	$112,557	$114,866	

Financial Performance				
	2013	2012	2011	3-yr Cumulative
Near-Term Indicators				
Going Concern	No	No	No	N/A
Unrestricted Days Liquidity*	40.77	25.23	75.86	N/A
Default	No	No	No	N/A
Sustainability Indicators				
Net Income	$36,477	($77,538)	$31,723	N/A
Cash Flow	$31,561	($168,280)	$127,677	($9,042)
Fixed Charge Coverage Ratio	1.43	0.72	1.15	N/A

* For fiscal years 2011 and 2012, the field reflects the charter holder's performance under the financial framework's previous "Unrestricted Days Cash" measure.

Based on the fiscal year 2012 audit, the charter holder was required to submit additional information regarding the charter holder's financial situation (presented in the charter holder's renewal portfolio: f. Financial Sustainability). The charter holder's submission addressed those measures where the charter holder received a "Does Not Meet Standard" rating in fiscal year 2012.

III. Adherence to the Terms of the Charter

A. Compliance Matters Requiring Board or Other Agency Action

Over the past five years, there were no items to report.

B. Other Compliance Matters

The fiscal year 2013 audit indicated that a fingerprint clearance card was not renewed timely. Specifically, for 1 of 21 instructional employees, a fingerprint clearance card was not renewed as of the testing date of April 22, 2013. The employee's card had expired on February 21, 2013 and an application for the fingerprint clearance card was submitted on April 18, 2013. Clearance was obtained on May 8, 2013. Similar issues were also identified in the fiscal year 2012 and 2010 audits. In fiscal year 2012, for 1 of 21 instructional employees, the employee's card had expired on January 30, 2012 and clearance was obtained on July 19, 2012 and for 1 of 5 non-instructional employees, the employee's card had expired on May 6, 2012 and clearance was obtained on June 12, 2012. In fiscal year 2010, for 1 of 31 employees tested for fingerprint clearance, the clearance card expired on February 25, 2010 and the charter holder had not received an updated card as of April 27, 2010. The fingerprint clearance card was obtained on May 25, 2010. Since the three audits indicated that all staff were now properly fingerprinted, corrective action plans (CAP) were not required.

The fiscal year 2010 audit identified an issue that required a CAP. Specifically, the audit indicated that duties related to cash receipts were not properly segregated as the same person has the ability to collect cash, issue pre-numbered receipts, and has access to cash prior to deposits. The charter holder submitted a satisfactory CAP.

C. Charter Holder's Organizational Membership

At the time the charter holder became eligible for renewal, the organizational membership on file with the Board was consistent with the information on file with the Arizona Corporation Commission; therefore, the charter holder was not required to submit the Organizational Membership portion of the Detailed Business Plan Section. Subsequently, the charter holder became out of alignment with the organizational membership on file with the Board and the corporation commission. Currently, the charter holder's organizational membership on file with the Board is in alignment with the membership on file with the Arizona Corporation Commission.

Board Options

Option 1: The Board may approve the renewal. The following language is provided for consideration: Renewal is based on consideration of academic, fiscal and contractual compliance of the charter holder. In this case, the charter holder does not meet the academic performance expectations set forth in the Board's performance framework. There is a record of past contractual noncompliance which has been reviewed. With that taken into consideration as well as all information provided to the Board for consideration of this renewal application package and during its discussion with representatives of the charter holder, I move to approve the request for charter renewal and grant a renewal contract to Mountain Oak School, Inc.

Option 2: The Board may deny the renewal. Staff recommends the following language for consideration: Based upon a review of the information provided by the representatives of the charter holder and the contents of the application package which includes the academic performance, the fiscal compliance, and legal and contractual compliance of the charter holder over the charter term, I move to deny the request for charter renewal and to not grant a renewal contract for Mountain Oak School, Inc. Specifically, the charter holder, during the term of the contract, failed to meet the obligations of the contract or failed to comply with state law when it failed to meet or demonstrate sufficient progress toward the Board's academic performance expectations as set forth in the Academic Performance Framework.

Option 3: The Board may deny the renewal unless certain provisions are included. The following language is provided for consideration: Based upon a review of the information provided by the representatives of the charter holder and the contents of the application package which includes the academic performance, the fiscal compliance, and legal and contractual compliance of the charter holder over the charter term, I move to deny the request for charter renewal and to not grant a renewal contract for Mountain Oak School, Inc. Specifically, the charter holder, during the term of the contract, failed to meet the obligations of the contract or failed to comply with state law when it failed to meet or demonstrate sufficient progress toward the Board's academic performance expectations as set forth in the Academic Performance Framework.

All that taken into consideration, the Board will grant a renewal contract that includes a Performance Management Plan that, when reviewed by staff using the approved evaluation instrument, demonstrates a well described plan with a timeline that includes implementation beginning in February of the 2013-2014 school year.

If Mountain Oak School, Inc. is unwilling to agree to these provisions and a performance management plan as described is not received within 20 business days of today's date, then it is the Board's decision that Mountain Oak School, Inc.'s request for renewal of its charter be denied for the reasons already specified.