L

Subject: FW: Surrender Agreement

From: Barbara Tinsley (newdestinybjt@hotmail.com)

To: leocondoshome@yahoo.com;

Date: Wednesday, January 9, 2013 9:33 PM

Home work

From: newdestinybjt@hotmail.com
To: bethelbjt@hotmail.com; ctinsley@cox.net
Subject: FW: Surrender Agreement
Date: Thu, 3 Jan 2013 10:00:02 -0700

From: Deanna.Rowe@asbcs.az.gov
To: newdestinybjt@hotmail.com
CC: Bianca.Ulibarri@asbcs.az.gov; Martha.Morgan@asbcs.az.gov
Subject: FW: Surrender Agreement
Date: Wed, 2 Jan 2013 17:33:20 +0000

Barbara,

I apologize. Here is a copy of the email with the document attached.

Following the Board's direction at its November meeting, I've attached a copy of a Consent Agreement for the Voluntary Surrender and Termination of the Charter Contract for New Destiny Leadership Charter School. If you agree with the terms, please provide minutes of a meeting of the Charter Operator that include approval of the terms of the agreement and a signed original of the document to this office.

If you or your legal counsel have any questions regarding the terms of the agreement, please contact me.

DeAnna Rowe

Executive Director

State Board for Charter Schools

1616 West Adams, Suite 170

Phoenix, AZ 85007

602-364-3080

http://asbcs.az.gov

Working to improve public education in Arizona by sponsoring charter schools that provide quality educational choices.

CONSENT AGREEMENT FOR THE VOLUNTARY SURRENDER AND TERMINATION OF THE CHARTER CONTRACT

This Consent Agreement for the Voluntary Surrender and Termination of the Charter Contract ("Agreement") is made by and between New Destiny Leadership Charter School ("Charter Operator"), a nonprofit corporation organized under the laws of the state of Arizona and authorized to operate New Destiny Leadership Charter School, a charter school, and the Arizona State Board for Charter Schools ("Board") collectively referred to herein as the "Parties."

JURISDICTION

The Board is charged by Arizona Revised Statutes ("A.R.S.") §§ 15-182(E)(1) and (2) and 15-183(R) with granting charter status to qualifying applicants for charter schools and exercising general supervision over the charter schools it sponsors. An approved plan to establish a charter school is effective for fifteen years. A.R.S. § 15-183(I). The charter may be amended at the request of the governing body of the charter school and on approval of the Board. A.R.S. § 15-183(G). The Board may revoke a charter of a school it sponsors at any time if the charter school breaches one or more provisions of its charter. A.R.S. § 15-183(I)(3). The charter may be renewed for successive period of twenty years. A.R.S. § 15-183(I)(1).

RECITALS

1. The Charter Operator is authorized to operate New Destiny Leadership Charter School ("the School"), a charter school established pursuant to A.R.S. § 15-181 *et seq.*

2. The School is authorized to operate pursuant to a charter contract ("Charter") executed on April 1, 2009 between the Charter Operator and the Board.

3. Pursuant to A.R.S. § 15-183 and the Charter, the Board sponsors the Charter

Operator to operate one school site to serve students in grades kindergarten through six.

4. Dr. Barbara Tinsley is the Charter Representative and person authorized to execute documents on behalf of the Charter Operator.

5. On August 8, 2012, the Charter Operator notified the Board that the School would not open for the 2012-2013 school year and submitted a Request for Temporary Suspension of Operation to the Board, seeking a 12-month suspension in the operation of the School to open in August 2013 (for the 2013-2014 school year).

6. On November 26, 2012, the Board voted to not grant the request for a Temporary Suspension of Operation to the Charter held by the Charter Operator for the reasons that:

a. The Charter Operator failed to provide a comprehensive program of instruction as required by the Charter.

b. The Charter Operator failed to timely submit its annual financial audit for the fiscal year ending June 30, 2012 in accordance with A.R.S § 15-183(E)(6).

c. The Charter Operator failed to timely submit its annual financial report in accordance with A.R.S. § 15-183(E)(6).

7. The Charter Operator has provided a complete copy of each student's educational record to the student's parent or legal guardian for each student enrolled in the School in the 2011-2012 school year.

AGREEMENT

The Parties agree as follows:

1. The Charter Operator voluntarily tenders and surrenders the Charter to its sponsor, the Board, with the intent to voluntarily terminate its Charter effective January 18, 2013 for the purpose of further performance.

2. The Board accepts the surrender of the Charter for the operation of the School.

3. The Charter between the Charter Operator and the Board for the operation of the School is terminated effective January 18, 2013 for the purpose of further performance.

4. This Agreement is not binding on the Parties until both the Board and the Charter Operator's governing board accept it by the number of votes necessary to pass a measure at a public meeting. This Agreement is effective immediately upon its approval and execution by the authorized representatives of the Charter Operator and the Board.

5. If the Board rejects this Agreement or any part of it, then this Agreement is null and void, and not binding on the Charter Operator or the Board.

6. The Charter Operator shall notify the Board of the location of the School's student records no later than January 18, 2012.

7. The Charter Operator has submitted all requisite student level data for its receipt of state equalization funding for the 2011-2012 school year to the Arizona Department of Education through the Student Accountability Information System ("SAIS").

8. The Charter Operator is entitled to receive state equalization assistance funds for the 2011-2012 school year to which it is entitled under the school funding formula provided in Arizona law, but no more.

9. The Charter Operator shall refund any overpayment of state equalization assistance funds in the amount determined by the Arizona Department of Education ("Department") in the manner directed by the Department.

10. The Charter Operator is entitled to receive Classroom Site Funds for the 2011-2012 school year to which it is entitled under the provisions of Arizona law, but no more. The Charter Operator shall expend the Classroom Site Funds in a manner consistent with its intent as specified in

A.R.S. § 15-977.

11. The Charter Operator shall refund any overpayment of Classroom Site Funds in the amount determined by the Department in the manner directed by the Department.

12. The Charter Operator shall submit any outstanding grant reports and shall refund any outstanding grant monies or allocation of education funds in the amount determined by the Department in the manner directed by the Department.

13. The Charter Operator shall expend the Instructional Improvement Funds for the 2011-2012 school year to which it is entitled under the provisions of Arizona law, but no more. The Charter Operator shall expend the Instructional Improvement Funds in a manner consistent with its intent as specified in A.R.S. § 15-979.

14. Nothing in this Agreement is intended to prevent the Charter Operator from exercising its rights under statutes or regulations to contest amounts determined by the Department to be owed by the Charter Operator.

15. The Charter Operator understands that it has the legal right to consult with an attorney prior to entering into this Agreement.

16. The Parties shall be responsible for their own attorneys' fees and costs in this matter.

ARIZONA STATE BOARD FOR CHARTER SCHOOLS

_____

By: Jake Logan
President, Arizona State Board for Charter Schools
Date: _____

New Destiny Leadership Charter School

_____

By: Dr. Barbara Tinsley

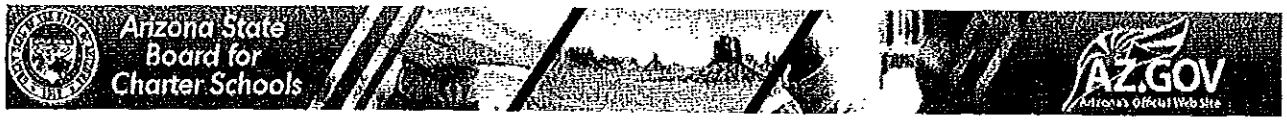
Charter Representative, New Destiny Leadership Charter School
Date: _____

COPY mailed this
_____ day of _____, 2013 to:

New Destiny Leadership Charter School
Attention: Dr. Barbara Tinsley, Charter Representative
1923 E. Broadway Road
Phoenix, Arizona 85040

By_____
12/2012

M



ARIZONA STATE BOARD FOR CHARTER SCHOOLS

The Board's new office is located in the State Land Department building at

1616 West Adams Street, Suite 170

Phoenix, Arizona 85007

Easy Access to open parking behind the building on the east and west sides of 16th Avenue, south of Van Buren

Monday, November 26, 2012

Regular Session

1:00 P.M.

NOTICE AND AGENDA

A. Pledge of Allegiance

B. Moment of Silence

C. Roll Call

D. Call to the Public

E. Arizona Charter Schools Association Update – Eileen Sigmund

F. Superintendent's Report – Update on current events and/or activities of the Department of Education.

G. Executive Director's Report – Introduction to the agenda items—Discussion and possible action:

1. Status of charters with previous and/or on-going board actions: Excel Preparatory Academy, Inc., Founding Fathers Academies, Inc., Visions Unlimited Academy, Inc.
2. 2013-2014 Application Cycle Update.

H. Consent Agenda- All items on this agenda will be considered by a single motion with no discussion, unless requested otherwise by a board member. Consideration to approve charter holder amendment requests.

1. Choice Academies, Inc. – Adding Grade Levels to Charter Amendment Request
2. BASIS School, Inc. – Adding Grade Levels of Charter Amendment Request for BASIS Tucson
3. BASIS School, Inc. – Adding Grade Levels of Charter Amendment Request for BASIS Scottsdale
4. Maryvale Preparatory Academy- Procurement Laws Exception
5. Archway Classical Academy North Phoenix- Procurement Laws and USFRCS Exception
6. La Tierra Community School, Inc.- Procurement Laws Exception
7. American Heritage Academy – Change in Charter Holder
8. North Phoenix Preparatory Academy - Procurement Laws Exception

I. Charter Replication Application – Discussion and possible action on the replication application and request for a charter submitted for Archway Classical Academy - Glendale for the operation of Great Hearts Academies – Archway Glendale.

J. Transfer of Charter Contract – Discussion and possible action on the request to transfer the charter contract of Developing Innovations In Navajo Education, Inc. (DINE, Inc.) from the State Board of Education to the State Board for Charter Schools.

K. Charter Renewal Application – Discussion and possible action on the renewal application for Keystone Montessori Charter School, Inc.

L. Academic Performance Framework - Discussion and possible action on the proposed revisions to the Academic Performance Framework and Guidance Document.

M. Compliance Matters – Discussion and possible action.

1. The Board will receive information to determine whether evidence exists that Paideia Academies, Inc. failed to comply with the fingerprinting requirements prescribed in A.R.S. § 15-183(C) or A.R.S. § 15-512. If the Board determines that a failure has occurred, the Board may take action as it deems appropriate or necessary under state law, which may include imposing a civil penalty of one thousand dollars per occurrence pursuant to A.R.S. § 15-185 (I).

   - Staff Report and Notification and Response

2. The Board will receive information to determine whether evidence exists that the Charter Holders listed below are in breach of one or more provisions of their charter contract, federal, state, or local laws regarding their failure to meet the timeframes established in one or more of the following areas: failure to timely submit the annual financial audit in accordance with A.R.S. § 15-183(E)(6), and/or failure to timely submit the annual financial report in accordance with A.R.S. § 15-183(E)(6).

   If the Board determines that a breach may have occurred, the Board may take action as it deems appropriate or necessary under state law, which may include withholding of up to 10% of the monthly apportionment of state aid and requiring a corrective action plan pursuant to A.R.S. §15-185(H), and/or issuing a notice of intent to revoke the charter pursuant to A.R.S. § 15-183(I).

   a. Fiscal Year 2012 Annual Financial Audit

   First Year Late

   i. Ahwatukee Foothills Prep Early College High School, Inc.
   ii. Ahwatukee Foothills Prep, Inc.
   iii. Athlos Traditional Academy
   iv. Calibre Academy, Inc.
   v. DCS Partners, Inc.
   vi. E-Institute Charter School, Inc.
   vii. Employ-Ability Unlimited, Inc.
   viii. Keystone Montessori Charter School, Inc.
   ix. LEAD Charter Schools (Entity ID 91174) (Submitted incomplete audit reporting package)
   x. Legacy Traditional School - Avondale
   xi. Legacy Traditional School - Northwest Tucson
   xii. The Odyssey Preparatory Academy, Inc.
   xiii. Patriot Academy, Inc.
   xiv. West Valley Arts and Technology Academy, Inc.

   Second Consecutive Year Late

   i. Kin Dah Lichii Olta
   ii. New Destiny Leadership Charter School

   Third Consecutive Year Late

   i. Camelback Education, Inc.

   b. Fiscal Year 2012 Annual Financial Report

   Second Consecutive Year Late

   i. New Destiny Leadership Charter School

N. Request for Suspension of Operations - Discussion and possible action on the request for a suspension of operation of a charter school by the following:

1. New Destiny Leadership Charter School
2. The Paideia Academy of Chandler, Inc.

O. Consent Agreement for Founding Fathers Academies, Inc. - Discussion and possible action on the proposed Consent Agreement.

P. Board Comments and Future Meeting Dates - The executive director, presiding officer or a member of the Board may present a brief summary of current events pursuant to A.R.S. § 38-431.02(K) and may discuss future meeting dates and direct staff to place matters on a future agenda. The Board will not discuss or take action on any current event summary.

Q. Adjournment

Copyright 2009 // Privacy Policy // Accessibility // Staff Log In

Air Quality Forecast

N

(withdrawn)

O

(withdrawn)

P

(withdrawn)

Q

Arizona State Board for Charter Schools
On-going Board Actions as of February 1, 2013

Withholding

School Name	Date of Board Action	Violation	Notes	Status of Corrective Action Plan	Date issue, if unresolved, will come back before the Board
Ahwatukee Foothills Prep Early College High School, Inc.	11/26/12	• Failure to timely submit fiscal year 2012 audit reporting package			
Ahwatukee Foothills Prep, Inc.	11/26/12	• Failure to timely submit fiscal year 2012 audit reporting package			
DCS Partners, Inc.	11/26/12	• Failure to timely submit fiscal year 2012 audit reporting package			
Employ-Ability Unlimited, Inc.	11/26/12	• Failure to timely submit fiscal year 2012 audit reporting package	Audit received 1/23/13. Withholding to be returned with the March payment.		

Schools Under a Notice of Intent to Revoke

School Name	Date of Board Action	Alleged Violation	Date of Revocation Hearing/Orders	Status
Excel Preparatory Academy, Inc.	10/9/12	• Failure to comply with A.R.S. §15-183(E)(3) and its charter contract when the charter holder failed to provide educational services to students • Failure to be in good standing with the Arizona Corporation Commission	Hearing before an Administrative Law Judge set for January 29, 2013 Hearing was held on 1/29/13. The Administrative Law Judge will close the file once	

Schools Under a Notice of Intent to Revoke

School Name	Date of Board Action	Alleged Violation	Date of Revocation Hearing/Orders	Status
			the hearing transcripts are received.	
Founding Fathers Academies, Inc.	7/9/12	• Failure to provide a learning environment that improves pupil achievement • Failure to comply with laws related to the education of students with disabilities		Board staff and legal counsel have left messages for the charter representative to contact them to discuss the terms of a consent agreement. The charter representative has not yet returned these calls. The Board's attorney has been in contact with the charter holder's legal counsel. Both parties have reached an agreement on the terms of the consent agreement. The charter representative should now have a copy for consideration. On 11/26/12, Board approved Consent Agreement.

Other Legal Matters

School Name	Date of Board Action	Status

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
Visions Unlimited Academy, Inc.	7/9/12	Visions agrees to remit voluntary monthly payments of no less than $1,200 to the IRS on its Federal Tax Deposits arrearage until such time as it enters into a monthly installment agreement with the IRS to resolve its outstanding balance, at which time it agrees to comply with the terms of its monthly installment agreement. On or before the 30th day of each month, beginning July 2012 and continuing until paid in full, Visions agrees to provide	**Payroll Taxes** On 7/2/12, provided evidence that the first deposit made with the IRS in fiscal year 2013 equaled the required amount.

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
		evidence to the Board that it has made the required voluntary monthly payments or, if Visions has entered into a monthly installment agreement, to provide evidence to the Board that it has made the required monthly payments under its installment agreement with the IRS. Visions agrees to remain current in the remittance of its Federal Tax Deposits for the current fiscal year and for all subsequent fiscal years of its operations. Further, for all payrolls that occur from July 1, 2012 through such time as an installment agreement is entered into with the IRS, Visions shall, within five calendar days of each of its Federal Tax Deposits, provide evidence to the Board that it has made timely and sufficient Federal Tax Deposits into the Treasury of the United States. Within 10 days of the end of every calendar quarter (October 1, January 1, April 1, June 1) throughout the duration of the Performance Management Plan (PMP) developed by Visions (March 15, 2012 through May 25, 2014) and submitted to the Board on June 8, 2012, Visions shall complete and submit a Quarterly Report to the Board. Each Quarterly Report shall: • Provide evidence of Visions' implementation of the Action Steps identified in the PMP within the Timeline(s) identified; • Provide evidence that the School is progressing toward the Board's Level of Adequate Academic Performance, which includes results of benchmark assessments, presented in chart and graph format depicting the School's academic student performance. The initial report will establish a baseline measure and each subsequent quarterly report will include previous results as well as the result for the current quarter; and • Provide documentation of the School's budget expenditures for the Action Steps implemented for the quarter.	On 7/13/12, provided evidence that the second deposit made with the IRS in fiscal year 2013 equaled the required amount. On 7/26/12, provided copy of Form 941 filed with the IRS for second quarter of 2012 (April through June 2012). On 8/1/12, provided evidence that the third deposit made with the IRS in fiscal year 2013 equaled the required amount. On 8/1/12, provided evidence of $1,200 August voluntary contribution submitted to IRS on 8/1/12. On 8/3/12, provided evidence that the $1,200 July voluntary contribution was submitted to the IRS on 7/2/12. On 8/15/12, provided evidence that the fourth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 9/1/12, provided evidence that the fifth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 9/3/12, provided evidence that the September voluntary contribution of $1,280.96 was submitted to IRS on 9/3/12.

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
			On 9/14/12, provided evidence that the sixth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 9/29/12, provided evidence that the seventh deposit made with the IRS in fiscal year 2013 equaled the required amount. On 9/29/12, provided evidence that the October voluntary payment of $1,286.96 was submitted to the IRS. On 10/16/12, provided evidence that the eighth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 10/24/12, provided copy of Form 941 filed with the IRS for third quarter of 2012 (July through September 2012). On 10/30/12, provided evidence that the November voluntary payment of $1,200.01 was submitted to the IRS. On 10/31/12, provided evidence that the ninth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 11/15/12, provided evidence that the tenth deposit made with the IRS in fiscal year 2013 equaled the required amount.

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
			On 11/26/12, provided documentation showing the charter holder has accepted a proposed installment agreement with the IRS for monthly payments of $1,200. The formally approved installment agreement with the IRS is pending. On 11/30/12, provided evidence that the eleventh deposit made with the IRS in fiscal year 2013 equaled the required amount. On 11/30/12, provided evidence that the December voluntary payment of $1,200 was submitted to the IRS. On 12/14/12, provided evidence that the twelfth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 1/2/13, provided evidence that the thirteenth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 1/2/13, provided evidence that the January voluntary payment of $1,200 was submitted to the IRS. **Performance Management Plan** On 11/15/12, provided the initial quarterly report on progress with implementation of the PMP. The charter holder included evidence of implementation and discussed

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
			alignment with efforts conducted by ADE due to being designated as a Priority School.

Status of Board Requested Reports/Site Visits

School Name	Date of Board Action	Board Request of School/Staff	Status of compliance with request

Failing Schools

School Name	Date of Board Action	Violation	Hearing Information	Status

Civil Penalties

School Name	Date of Board Action	Violation	Amount of Civil Penalty	Date Appeal Timeframe Expires	Status

R

Arizona State Board for Charter Schools
On-going Board Actions as of March 1, 2013

Withholding

School Name	Date of Board Action	Violation	Notes	Status of Corrective Action Plan	Date issue, if unresolved, will come back before the Board
DCS Partners, Inc.	11/26/12	• Failure to timely submit fiscal year 2012 audit reporting package			2/11/13
	2/11/13	Board added to the basis of the existing 10% withholding: • Failure to request an amendment to its charter to reflect its change in charter representative. • Failure to comply with accountability and reporting requirements for receipt of Elementary and Secondary Education Act grant funding.	As of 2/15/13, the charter holder had demonstrated compliance through the submission of an administratively complete and substantively complete Charter Representative Notification Request and the completion of the charter holder's ESEA Cycle 5 compliance and monitoring requirements.		

Schools Under a Notice of Intent to Revoke

School Name	Date of Board Action	Alleged Violation	Date of Revocation Hearing/Orders	Status

Schools Under a Notice of Intent to Revoke

School Name	Date of Board Action	Alleged Violation	Date of Revocation Hearing/Orders	Status
Excel Preparatory Academy, Inc.	10/9/12	• Failure to comply with A.R.S. §15-183(E)(3) and its charter contract when the charter holder failed to provide educational services to students • Failure to be in good standing with the Arizona Corporation Commission	Hearing before an Administrative Law Judge set for 1/29/13. Hearing was held on 1/29/13. The Administrative Law Judge will close the record once the hearing transcripts are received. On 2/19/13, hearing transcripts and all pleadings in the matter were filed with the Office of Administrative Hearings. On 2/28/12 the Administrative Law Judge closed the record. A decision will be issued in due course.	
Founding Fathers Academies, Inc.	7/9/12	• Failure to provide a learning environment that improves pupil achievement • Failure to comply with laws related to the education of students with disabilities		Board staff and legal counsel have left messages for the charter representative to contact them to discuss the terms of a consent agreement. The charter representative has not yet returned these calls. The Board's attorney has been in contact with the charter holder's legal counsel. Both parties have reached an agreement on the terms of the consent agreement. The charter representative should now have a copy for consideration. On 11/26/12, Board approved Consent Agreement.

Schools Under a Notice of Intent to Revoke

School Name	Date of Board Action	Alleged Violation	Date of Revocation Hearing/Orders	Status
				On 2/11/13 Board withdrew its approval and acceptance of the consent agreement for Founding Fathers Academies, Inc. and directed staff to conduct a complete compliance review of the charter to evaluate the school's operations and academic program and report back to the Board in March with a recommendation for moving forward.
New Destiny Leadership Charter School	2/11/13	• Failure to comply with A.R.S. §15-183(E)(3) and its charter contract when it failed to provide educational services to students • Failure to timely submit its fiscal year 2012 annual financial audit • Failure to timely submit its fiscal year 2012 Annual Financial Report	Hearing before an Administrative Law Judge set for 6/11/13 and 6/12/13.	

Other Legal Matters

School Name	Date of Board Action	Status

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
Visions Unlimited Academy, Inc.	7/9/12	Visions agrees to remit voluntary monthly payments of no less than $1,200 to the IRS on its Federal Tax Deposits arrearage until such time as it enters into a monthly installment agreement with the IRS to resolve its outstanding balance, at which time it agrees to comply with the terms of its monthly installment agreement. On or before the 30th day of each month, beginning July 2012 and continuing until paid in full, Visions agrees to provide evidence to the Board that it has made the required voluntary monthly payments or, if Visions has entered into a monthly installment agreement, to	**Payroll Taxes** On 7/2/12, provided evidence that the first deposit made with the IRS in fiscal year 2013 equaled the required amount. On 7/13/12, provided evidence that the second deposit made with the IRS

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
		provide evidence to the Board that it has made the required monthly payments under its installment agreement with the IRS. Visions agrees to remain current in the remittance of its Federal Tax Deposits for the current fiscal year and for all subsequent fiscal years of its operations. Further, for all payrolls that occur from July 1, 2012 through such time as an installment agreement is entered into with the IRS, Visions shall, within five calendar days of each of its Federal Tax Deposits, provide evidence to the Board that it has made timely and sufficient Federal Tax Deposits into the Treasury of the United States. Within 10 days of the end of every calendar quarter (October 1, January 1, April 1, June 1) throughout the duration of the Performance Management Plan (PMP) developed by Visions (March 15, 2012 through May 25, 2014) and submitted to the Board on June 8, 2012, Visions shall complete and submit a Quarterly Report to the Board. Each Quarterly Report shall: • Provide evidence of Visions' implementation of the Action Steps identified in the PMP within the Timeline(s) identified; • Provide evidence that the School is progressing toward the Board's Level of Adequate Academic Performance, which includes results of benchmark assessments, presented in chart and graph format depicting the School's academic student performance. The initial report will establish a baseline measure and each subsequent quarterly report will include previous results as well as the result for the current quarter; and • Provide documentation of the School's budget expenditures for the Action Steps implemented for the quarter.	in fiscal year 2013 equaled the required amount. On 7/26/12, provided copy of Form 941 filed with the IRS for second quarter of 2012 (April through June 2012). On 8/1/12, provided evidence that the third deposit made with the IRS in fiscal year 2013 equaled the required amount. On 8/1/12, provided evidence of $1,200 August voluntary contribution submitted to IRS on 8/1/12. On 8/3/12, provided evidence that the $1,200 July voluntary contribution was submitted to the IRS on 7/2/12. On 8/15/12, provided evidence that the fourth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 9/1/12, provided evidence that the fifth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 9/3/12, provided evidence that the September voluntary contribution of $1,280.96 was submitted to IRS on 9/3/12. On 9/14/12, provided evidence that the sixth deposit made with the IRS

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
			in fiscal year 2013 equaled the required amount. On 9/29/12, provided evidence that the seventh deposit made with the IRS in fiscal year 2013 equaled the required amount. On 9/29/12, provided evidence that the October voluntary payment of $1,286.96 was submitted to the IRS. On 10/16/12, provided evidence that the eighth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 10/24/12, provided copy of Form 941 filed with the IRS for third quarter of 2012 (July through September 2012). On 10/30/12, provided evidence that the November voluntary payment of $1,200.01 was submitted to the IRS. On 10/31/12, provided evidence that the ninth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 11/15/12, provided evidence that the tenth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 11/26/12, provided documentation showing the charter

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
			holder has accepted a proposed installment agreement with the IRS for monthly payments of $1,200. The formally approved installment agreement with the IRS is pending. On 11/30/12, provided evidence that the eleventh deposit made with the IRS in fiscal year 2013 equaled the required amount. On 11/30/12, provided evidence that the December voluntary payment of $1,200 was submitted to the IRS. On 12/14/12, provided evidence that the twelfth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 1/2/13, provided evidence that the thirteenth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 1/2/13, provided evidence that the January voluntary payment of $1,200 was submitted to the IRS. On 1/8/13, provided copy of executed Installment Agreement with IRS. Agreement requires $1,200 per month payments beginning January 15th and continuing on the 15th of each month thereafter. The $1,200 payment made on 1/2/13 serves as the January payment under the Installment Agreement.

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
			On 2/11/13, provided evidence that the Installment Agreement's February payment of $1,200 was submitted to the IRS. **Performance Management Plan** On 11/15/12, provided the initial quarterly report on progress with implementation of the PMP. The charter holder included evidence of implementation and discussed alignment with efforts conducted by ADE due to being designated as a Priority School. On 2/7/2013, provided the second quarterly progress report on implementation of their Performance Management Plan. The charter holder submitted an update from the previous report and provided evidence of implementation of the plan. The school continues to work with the Solutions Team from ADE on implementing its improvement plan.

Status of Board Requested Reports/Site Visits

School Name	Date of Board Action	Board Request of School/Staff	Status of compliance with request

Failing Schools

School Name	Date of Board Action	Violation	Hearing Information	Status

Civil Penalties

School Name	Date of Board Action	Violation	Amount of Civil Penalty	Date Appeal Timeframe Expires	Status

S

Arizona State Board for Charter Schools
On-going Board Actions as of March 27, 2013

Withholding					
School Name	**Date of Board Action**	**Violation**	**Notes**	**Status of Corrective Action Plan**	**Date issue, if unresolved, will come back before the Board**
DCS Partners, Inc.	11/26/12	• Failure to timely submit fiscal year 2012 audit reporting package			2/11/13
	3/11/13		No earlier than 14 days or 10 business days of the 3/11/13 meeting, the Board voted to issue a Notice of Intent to Revoke the charter contract if the charter has not yet submitted the fiscal year 2012 audit. Based on the motion, the audit must be submitted on or before 3/25/13 to avoid the Notice being issued. Audit received 3/20/13. 10% will be returned with April payment		
	2/11/13	Board added to the basis of the existing 10% withholding: • Failure to request an amendment to its charter to reflect its change in charter representative. • Failure to comply with accountability and reporting requirements for	As of 2/15/13, the charter holder had demonstrated compliance through the submission of an administratively complete and substantively complete Charter Representative Notification Request and the completion of the charter holder's ESEA Cycle 5 compliance and monitoring requirements.		

Withholding

School Name	Date of Board Action	Violation	Notes	Status of Corrective Action Plan	Date issue, if unresolved, will come back before the Board
		receipt of Elementary and Secondary Education Act grant funding.			

Schools Under a Notice of Intent to Revoke

School Name	Date of Board Action	Alleged Violation	Date of Revocation Hearing/Orders	Status
Excel Preparatory Academy, Inc.	10/9/12	• Failure to comply with A.R.S. §15-183(E)(3) and its charter contract when the charter holder failed to provide educational services to students • Failure to be in good standing with the Arizona Corporation Commission	Hearing before an Administrative Law Judge set for 1/29/13. Hearing was held on 1/29/13. The Administrative Law Judge will close the record once the hearing transcripts are received. On 2/19/13, hearing transcripts and all pleadings in the matter were filed with the Office of Administrative Hearings. On 2/28/13 the Administrative Law Judge closed the record. A decision will be issued in due course. In March, Board received ALJ's decision.	

Schools Under a Notice of Intent to Revoke

School Name	Date of Board Action	Alleged Violation	Date of Revocation Hearing/Orders	Status
Founding Fathers Academies, Inc.	7/9/12	• Failure to provide a learning environment that improves pupil achievement • Failure to comply with laws related to the education of students with disabilities		Board staff and legal counsel have left messages for the charter representative to contact them to discuss the terms of a consent agreement. The charter representative has not yet returned these calls. The Board's attorney has been in contact with the charter holder's legal counsel. Both parties have reached an agreement on the terms of the consent agreement. The charter representative should now have a copy for consideration. On 11/26/12, Board approved Consent Agreement. On 2/11/13 Board withdrew its approval and acceptance of the consent agreement for Founding Fathers Academies, Inc. and directed staff to conduct a complete compliance review of the charter to evaluate the school's operations and academic program and report back to the Board in March with a recommendation for moving forward. On 3/5/13 and 3/6/13, staff conducted a complete onsite compliance review of the charter to evaluate the school's operations and academic program.
New Destiny Leadership Charter School	2/11/13	• Failure to comply with A.R.S. §15-183(E)(3) and its charter contract when it failed to provide educational services to students • Failure to timely submit its fiscal year 2012 annual financial audit • Failure to timely submit its fiscal year	Hearing before an Administrative Law Judge set for 6/11/13 and 6/12/13. Hearing before an Administrative Law Judge rescheduled for 7/2/13 and	

Schools Under a Notice of Intent to Revoke

School Name	Date of Board Action	Alleged Violation	Date of Revocation Hearing/Orders	Status
		2012 Annual Financial Report	7/3/13.	

Other Legal Matters

School Name	Date of Board Action	Status

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
Visions Unlimited Academy, Inc.	7/9/12	Visions agrees to remit voluntary monthly payments of no less than $1,200 to the IRS on its Federal Tax Deposits arrearage until such time as it enters into a monthly installment agreement with the IRS to resolve its outstanding balance, at which time it agrees to comply with the terms of its monthly installment agreement. On or before the 30th day of each month, beginning July 2012 and continuing until paid in full, Visions agrees to provide evidence to the Board that it has made the required voluntary monthly payments or, if Visions has entered into a monthly installment agreement, to provide evidence to the Board that it has made the required monthly payments under its installment agreement with the IRS. Visions agrees to remain current in the remittance of its Federal Tax Deposits for the current fiscal year and for all subsequent fiscal years of its operations. Further, for all payrolls that occur from July 1, 2012 through such time as an installment agreement is entered into with the IRS, Visions shall, within five calendar days of each of its Federal Tax Deposits, provide evidence to the Board that it has made timely and sufficient Federal Tax Deposits into the Treasury of the United States. Within 10 days of the end of every calendar quarter (October 1, January 1, April 1, June 1) throughout the duration of the Performance Management	**Payroll Taxes** On 7/2/12, provided evidence that the first deposit made with the IRS in fiscal year 2013 equaled the required amount. On 7/13/12, provided evidence that the second deposit made with the IRS in fiscal year 2013 equaled the required amount. On 7/26/12, provided copy of Form 941 filed with the IRS for second quarter of 2012 (April through June 2012). On 8/1/12, provided evidence that the third deposit made with the IRS in fiscal year 2013 equaled the required amount.

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
		Plan (PMP) developed by Visions (March 15, 2012 through May 25, 2014) and submitted to the Board on June 8, 2012, Visions shall complete and submit a Quarterly Report to the Board. Each Quarterly Report shall: • Provide evidence of Visions' implementation of the Action Steps identified in the PMP within the Timeline(s) identified; • Provide evidence that the School is progressing toward the Board's Level of Adequate Academic Performance, which includes results of benchmark assessments, presented in chart and graph format depicting the School's academic student performance. The initial report will establish a baseline measure and each subsequent quarterly report will include previous results as well as the result for the current quarter; and • Provide documentation of the School's budget expenditures for the Action Steps implemented for the quarter.	On 8/1/12, provided evidence of $1,200 August voluntary contribution submitted to IRS on 8/1/12. On 8/3/12, provided evidence that the $1,200 July voluntary contribution was submitted to the IRS on 7/2/12. On 8/15/12, provided evidence that the fourth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 9/1/12, provided evidence that the fifth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 9/3/12, provided evidence that the September voluntary contribution of $1,280.96 was submitted to IRS on 9/3/12. On 9/14/12, provided evidence that the sixth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 9/29/12, provided evidence that the seventh deposit made with the IRS in fiscal year 2013 equaled the required amount. On 9/29/12, provided evidence that the October voluntary payment of $1,286.96 was submitted to the IRS. On 10/16/12, provided evidence that

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
			the eighth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 10/24/12, provided copy of Form 941 filed with the IRS for third quarter of 2012 (July through September 2012). On 10/30/12, provided evidence that the November voluntary payment of $1,200.01 was submitted to the IRS. On 10/31/12, provided evidence that the ninth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 11/15/12, provided evidence that the tenth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 11/26/12, provided documentation showing the charter holder has accepted a proposed installment agreement with the IRS for monthly payments of $1,200. The formally approved installment agreement with the IRS is pending. On 11/30/12, provided evidence that the eleventh deposit made with the IRS in fiscal year 2013 equaled the required amount. On 11/30/12, provided evidence that the December voluntary payment of

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
			$1,200 was submitted to the IRS. On 12/14/12, provided evidence that the twelfth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 1/2/13, provided evidence that the thirteenth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 1/2/13, provided evidence that the January voluntary payment of $1,200 was submitted to the IRS. On 1/8/13, provided copy of executed Installment Agreement with IRS. Agreement requires $1,200 per month payments beginning January 15th and continuing on the 15th of each month thereafter. The $1,200 payment made on 1/2/13 serves as the January payment under the Installment Agreement. On 2/11/13, provided evidence that the Installment Agreement's February payment of $1,200 was submitted to the IRS. On 3/25/13, provided evidence that the Installment Agreement's March payment of $1,200 was timely submitted to the IRS. **Performance Management Plan** On 11/15/12, provided the initial

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
			quarterly report on progress with implementation of the PMP. The charter holder included evidence of implementation and discussed alignment with efforts conducted by ADE due to being designated as a Priority School. On 2/7/2013, provided the second quarterly progress report on implementation of their Performance Management Plan. The charter holder submitted an update from the previous report and provided evidence of implementation of the plan. The school continues to work with the Solutions Team from ADE on implementing its improvement plan.

Status of Board Requested Reports/Site Visits

School Name	Date of Board Action	Board Request of School/Staff	Status of compliance with request

Failing Schools

School Name	Date of Board Action	Violation	Hearing Information	Status

Civil Penalties

School Name	Date of Board Action	Violation	Amount of Civil Penalty	Date Appeal Timeframe Expires	Status

T

Arizona State Board for Charter Schools
On-going Board Actions as of May 2, 2013

Withholding

School Name	Date of Board Action	Violation	Notes	Status of Corrective Action Plan	Date issue, if unresolved, will come back before the Board
Omega Schools, Inc.	4/8/13	• Failure to timely submit fiscal year 2012 single audit reporting package	Audit received 4/18/13. No withholding occurred.		

Schools Under a Notice of Intent to Revoke

School Name	Date of Board Action	Alleged Violation	Date of Revocation Hearing/Orders	Status
Founding Fathers Academies, Inc.	7/9/12	• Failure to provide a learning environment that improves pupil achievement • Failure to comply with laws related to the education of students with disabilities		Board staff and legal counsel have left messages for the charter representative to contact them to discuss the terms of a consent agreement. The charter representative has not yet returned these calls. The Board's attorney has been in contact with the charter holder's legal counsel. Both parties have reached an agreement on the terms of the consent agreement. The charter representative should now have a copy for consideration. On 11/26/12, Board approved Consent Agreement. On 2/11/13 Board withdrew its approval and acceptance of the consent agreement for Founding Fathers Academies, Inc. and directed

Schools Under a Notice of Intent to Revoke

School Name	Date of Board Action	Alleged Violation	Date of Revocation Hearing/Orders	Status
				staff to conduct a complete compliance review of the charter to evaluate the school's operations and academic program and report back to the Board in March with a recommendation for moving forward. On 3/5/13 and 3/6/13, staff conducted a complete onsite compliance review of the charter to evaluate the school's operations and academic program. Board staff reviewed the information submitted by the charter holder following the onsite compliance review. On 4/23/13, Board staff sent a letter to the charter representative regarding the results of staff's review.
New Destiny Leadership Charter School	2/11/13	• Failure to comply with A.R.S. §15-183(E)(3) and its charter contract when it failed to provide educational services to students • Failure to timely submit its fiscal year 2012 annual financial audit • Failure to timely submit its fiscal year 2012 Annual Financial Report	Hearing before an Administrative Law Judge set for 6/11/13 and 6/12/13. Hearing before an Administrative Law Judge rescheduled for 7/2/13 and 7/3/13.	

Other Legal Matters

School Name	Date of Board Action	Status
John Hancock Academy, Inc.	2/11/13	Charter holder has requested a formal hearing be set regarding the Board's action rejecting the new application package and denying the request for a charter. Formal non-renewal hearing before OAH Administrative Law Judge scheduled for May 7 and May 8, 2013.

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
Visions Unlimited Academy, Inc.	7/9/12	Visions agrees to remit voluntary monthly payments of no less than $1,200 to the IRS on its Federal Tax Deposits arrearage until such time as it enters into a monthly installment agreement with the IRS to resolve its outstanding balance, at which time it agrees to comply with the terms of its monthly installment agreement, on or before the 30th day of each month, beginning July 2012 and continuing until paid in full, Visions agrees to provide evidence to the Board that it has made the required voluntary monthly payments or, if Visions has entered into a monthly installment agreement, to provide evidence to the Board that it has made the required monthly payments under its installment agreement with the IRS. Visions agrees to remain current in the remittance of its Federal Tax Deposits for the current fiscal year and for all subsequent fiscal years of its operations. Further, for all payrolls that occur from July 1, 2012 through such time as an installment agreement is entered into with the IRS, Visions shall, within five calendar days of each of its Federal Tax Deposits, provide evidence to the Board that it has made timely and sufficient Federal Tax Deposits into the Treasury of the United States. Within 10 days of the end of every calendar quarter (October 1, January 1, April 1, June 1) throughout the duration of the Performance Management Plan (PMP) developed by Visions (March 15, 2012 through May 25, 2014) and submitted to the Board on June 8, 2012, Visions shall complete and submit a Quarterly Report to the Board. Each Quarterly Report shall: • Provide evidence of Visions' implementation of the Action Steps identified in the PMP within the Timeline(s) identified; • Provide evidence that the School is progressing toward the Board's	**Payroll Taxes** On 7/2/12, provided evidence that the first deposit made with the IRS in fiscal year 2013 equaled the required amount. On 7/13/12, provided evidence that the second deposit made with the IRS in fiscal year 2013 equaled the required amount. On 7/26/12, provided copy of Form 941 filed with the IRS for second quarter of 2012 (April through June 2012). On 8/1/12, provided evidence that the third deposit made with the IRS in fiscal year 2013 equaled the required amount. On 8/1/12, provided evidence of $1,200 August voluntary contribution submitted to IRS on 8/1/12. On 8/3/12, provided evidence that the $1,200 July voluntary contribution

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
		Level of Adequate Academic Performance, which includes results of benchmark assessments, presented in chart and graph format depicting the School's academic student performance. The initial report will establish a baseline measure and each subsequent quarterly report will include previous results as well as the result for the current quarter; and • Provide documentation of the School's budget expenditures for the Action Steps implemented for the quarter.	was submitted to the IRS on 7/2/12. On 8/15/12, provided evidence that the fourth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 9/1/12, provided evidence that the fifth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 9/3/12, provided evidence that the September voluntary contribution of $1,280.96 was submitted to IRS on [illegible] On 9/14/12, provided evidence that the sixth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 9/29/12, provided evidence that the seventh deposit made with the IRS in fiscal year 2013 equaled the required amount. On 9/29/12, provided evidence that the October voluntary payment of $1,286.96 was submitted to the IRS. On 10/16/12, provided evidence that the eighth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 10/24/12, provided copy of Form 941 filed with the IRS for third

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
			quarter of 2012 (July through September 2012). On 10/30/12, provided evidence that the November voluntary payment of $1,200.01 was submitted to the IRS. On 10/31/12, provided evidence that the ninth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 11/15/12, provided evidence that the tenth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 11/26/12, provided documentation showing the charter holder has accepted a proposed installment agreement with the IRS for monthly payments of $1,200. The formally approved installment agreement with the IRS is pending. On 11/30/12, provided evidence that the eleventh deposit made with the IRS in fiscal year 2013 equaled the required amount. On 11/30/12, provided evidence that the December voluntary payment of $1,200 was submitted to the IRS. On 12/14/12, provided evidence that the twelfth deposit made with the IRS in fiscal year 2013 equaled the required amount.

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
			On 1/2/13, provided evidence that the thirteenth deposit made with the IRS in fiscal year 2013 equaled the required amount. On 1/2/13, provided evidence that the January voluntary payment of $1,200 was submitted to the IRS. On 1/8/13, provided copy of executed Installment Agreement with IRS. Agreement requires $1,200 per month payments beginning January 15th and continuing on the 15th of each month thereafter. The $1,200 payment made on 1/2/13 serves as the January payment under the Installment Agreement. On 2/11/13, provided evidence that the Installment Agreement's February payment of $1,200 was submitted to the IRS. On 3/25/13, provided evidence that the Installment Agreement's March payment of $1,200 was timely submitted to the IRS. On 4/2/13, provided evidence that the Installment Agreement's April payment of $1,200 was submitted to the IRS. On 5/1/13, provided evidence that the Installment Agreement's May payment of $1,200 was submitted to

Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
			the IRS. **Performance Management Plan** On 11/15/12, provided the initial quarterly report on progress with implementation of the PMP. The charter holder included evidence of implementation and discussed alignment with efforts conducted by ADE due to being designated as a Priority School. On 2/7/2013, provided the second quarterly progress report on implementation of their Performance Management Plan. The charter holder submitted an update from the previous report and provided evidence of implementation of the plan. The school continues to work with the Solutions Team from ADE on implementing its improvement plan. On 4/10/2013, provided the third quarterly progress report on implementation of their Performance Management Plan. The charter holder submitted a mid-year recommendations report from ADE's Solutions Team as well as benchmark assessment data used to identify students for tutoring, teacher training information for Beyond Textbooks, examples of coaching plans for teachers, principal evaluation instrument, and school improvement team meeting minutes.

Status of Board Requested Reports/Site Visits

School Name	Date of Board Action	Board Request of School/Staff	Status of compliance with request

Failing Schools

School Name	Date of Board Action	Violation	Hearing Information	Status

Civil Penalties

School Name	Date of Board Action	Violation	Amount of Civil Penalty	Date Appeal Timeframe Expires	Status

U

SCHOOL REPORT CARD 2011

Arizona Department of Education

John Huppenthal Superintendent of Public Instruction
Research and Evaluation Section
(602) 542-5151 / reportcards@azed.gov

New Destiny Leadership Charter School

New Destiny Leadership Charter School

Not Avail
, AZ
Not Avail

Principal Not Avail

School Mission and Goals

Not Avail

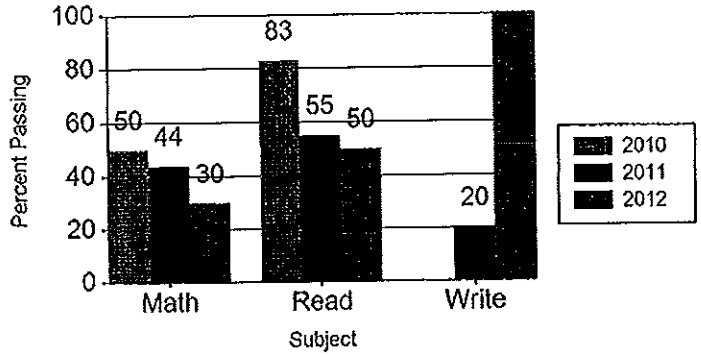
Entity ID	90167
CTDS	078555001
Grades Served	KG - 5
Students Enrolled	31
Type of School	Charter Facility

Office Hours	Not Avail
Number of Instruction hours	Not Avail
Number of Instruction days	Not Avail
School Year Start and End	Not Avail

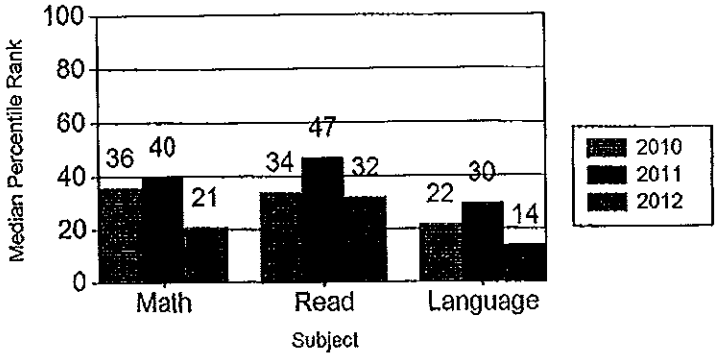
A-F Letter Grade For The School	NA
The Federal School Improvement Status	NA
The AMO Status For This School	Not Avail
The AYP Status For This School	Discontinued

Test Results for Spring 2011

Arizona's Instrument to Measure Standards (AIMS)



Norm Referenced



Measure of Academic Progress (MAP)

Coming Soon

Arizona English Language Learners Assessment (AZELLA)

ELL Reclassification Rate NA

School Performance Measures

Attendance Rate	98.9%
Promotion Rate**	70.0%
Dropout Rate	NA
Four-Year Graduation Rate*	NA
Five-Year Graduation Rate*	NA

On campus Incidents: No incidents reported

No comments reported

* - Graduation Rate does not apply to K-8 Schools
** - Promotion Rate is based on self-reported data (October 1 Enrollment and year-end number of students promoted)
NA - Not Applicable

The Arizona Department of Education of the State of Arizona does not discriminate on the basis of race, religion, color, national origin, sex, disability or age in its programs, activities or in its hiring and employment practices. For questions or concerns regarding this statement, please contact Constituent Services at 602-542-3710.

V

New Destiny Leadership Charter School

Home Page

Our Mission

The mission of **New Destiny Leadership Charter School** is to provide quality, professional and structurally sound education and enrichment services to the South Mountain community and surrounding areas. Our model provides a positive, individualized curriculum designed to maximize a student's potential to succeed, not only in academics, but also as a future community leader.

Our Uniqueness

The uniqueness of **New Destiny Leadership Charter School,** apart from high academic standards, is character education and technology integrated curriculum. We strive not only to teach our children standard academic foundations such as reading, math and science, but also how to integrate kindness, love, patience, self-control and peacefulness into their daily lives. In addition, we want to teach our children how to learn by using technology integrated into lesson plans that include research on the internet, secured by the most advanced filtering software.

New Destiny Leadership Charter School serves Kindergarten through 6th grade students.

Our Vision

New Destiny Leadership Charter School recognizes the importance of teaching our students leadership skills, integrity, personal responsibility, cooperation, courage and self-esteem. We encourage students and parents to be actively involved in creating and maintaining a school environment that is conducive to learning and promotes individual responsibility and accountability. We expect our students, with the support of their parents/guardians and school staff members, to take responsibility in creating a positive, orderly and respectful school setting. Our curriculum design and instructional practices enhance our ability to connect academic learning and character development to applied learning in the workplace, community, and home.

The research design of **New Destiny Leadership Charter School** is for each child to have a positive self-concept and leadership skills, thus improving academic performance. The primary focus of the school is to provide for opportunity for *each* student to learn and to facilitate the acquisition of skills, knowledge,and character necessary to survive and thrive in today's society. We view each student's character development as important as his or her academic performance. students are expected to show respect and consideration, including allowing each student equal access to educational opportunities, without interference from others. **New Destiny Leadership Charter School** is equipped with a premier staff of teachers and the necessary technology, resources, and materials for academic success.

New Destiny Leadership Charter School believes the placement of your child in our school to be a sacred trust and views you, the parent/guardian, as the primary educator of your child and a vital component in the education and character development of your child. Together, the school and the home can guide and support our students to mature into successful, productive adults. Our parents experience satisfaction due to the progress of their children. Parents work cooperatively with school staff to establish goals and priorities. Our parents are welcomed and valued partners in the educational process.

New Destiny Leadership
Charter School

Academics

New Destiny Leadership Charter School

Learning Is Our Passion

New Destiny Leadership Charter School is an institution of higher learning with a lifelong tradition. Our faculty is dedicated to helping students succeed in today's global market. We adapt our curriculum to meet the needs of our diverse student body, taking into account the many ways in which students learn.

Anchored by tradition, we excel at:

- one-on-one interaction with our teaching staff
- cultivating independent learning via remote instruction
- providing comprehensive mentoring programs
- fostering collaboration with the community
- enriching academic learning with long-term projects and extracurricular activities
- fostering diversity on campus and in the Phoenix area

Our School

About us
Faculty at New Destiny Leadership Charter School are leaders in the community who share a passion for teaching and learning, and a commitment to creating a supportive learning environment that is challenging, collaborative and engaging. We adapt our teaching methods to the individual learning styles of our students. Our modern classrooms make it possible to explore the world around us in a safe, encouraging environment.

Subjects
Our wide range of course offerings are relevant and applicable to today's rapidly changing world. We prepare our students to take their place among the best and the brightest.

Reinforcing Strengths and Rising to Challenges

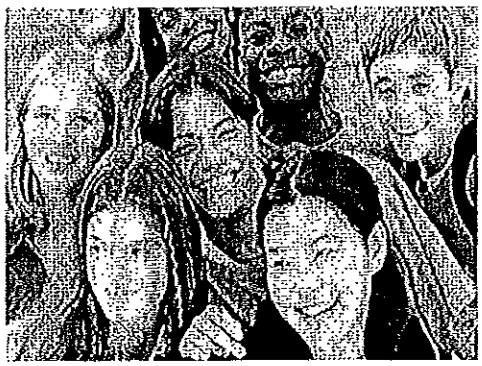
Our academic program provides students with rich learning experiences in a wide variety of subject areas. We reinforce our students' individual strengths and help them achieve excellence, even in subjects where they face the toughest challenges. Our teachers demonstrate the practical relevance of every subject matter, giving students an added incentive to learn. Activity-oriented, challenging content is at the core of our lesson plans.

Content copyright 2009-2013, New Destiny Leadership Charter School. All rights reserved.

New Destiny Leadership Charter School

Schedule of Events

2011-2012 School Year



Teachers Return
July 25th

First Day of School
Aug 1st

Mid Term Progress Reports Issued
Sept 1st

Teacher In-Service/No School
Sept 2nd

Labor day
Sept 5th

Parent/Teacher Conferences
Sept 29th-30th

Fall Break
Oct 10th-14th

Mid-Term Progress Reports Issued
Nov 4th

Veterans Day
Nov 11th

Thanksgiving Break
Nov 24th-25th

Parent/Teacher Conferences
Dec 15-16th

Winter Break
Dec 26th-Jan 6th

Martin Luther King Day
Jan 16th

Mid-Term Progress Reports Issued
Feb 3rd

Presidents Day
Feb 20th

Parent/Teacher Conferences
Mar 8th-9th

Spring Break
Mar 12th-16th

Cesar Chavez Day
March 30th

School Holiday/No School
Apr 6th

AIMS Testing
Apr 16th-27th

Mid-Term Progress Reports Issued
Apr 20th

Last Day for Students and Teachers
Progress Reports Issued
May 17th

New Destiny Leadership
Charter School

Outside the Classroom

Extra-curricular Activities

In addition to formal instruction, New Destiny Leadership Charter School offers its students a wide range of after-school activities in areas such as science, sports and music. These voluntary extra-curricular activities allow students to delve deeper into their personal interests, while applying classroom content practically and applying what they've learned in a hands-on environment. In doing so, they build confidence and maturity. At New Destiny Leadership Charter School, we continue to cultivate learning even after the final bell rings.

Content copyright 2009-2013. New Destiny Leadership Charter School. All rights reserved.

W

(withdrawn)

X

AUDIT & COMPLIANCE QUESTIONNAIRE
FOLLOW-UP MATRIX

Report Type	Criteria	Recommended Action
Serious Impact Findings	Findings that have a significant impact to the operation of the school or the students. Specifically threats to health & safety of children, gross violations of GAAP that increase opportunity for fraud/theft, repeat noncompliance, and any other concerns the Board would like brought to its attention.	Issue letter for noncompliance Bring to board for possible disciplinary action of 10% withholding or issuance of notice of intent revoke
Medium Impact Findings	Findings that impact the educational environment, operation of the school and/or its stakeholders but are not threats to health & safety or gross violations of GAAP.	Issue letter indicating there were deficiencies noted in the audit and that school should correct the deficiencies to avoid possible board action in the future Staff to work with schools through corrective action plans and site visits, when appropriate
Minimal Impact Findings	Findings that don't significantly impact the operation of the school or the students but are still required by law or contract to be rectified.	Issue letter indicating school should continue to work towards correcting areas noted in the audit Monitor for repeat findings in the future

In addition to the information presented in the table, the Board and staff will consider the following factors when determining the appropriate course of action to take:

- Repeat breaches of the charter contract or the law
- Multiple instances of noncompliance
- School's ability and willingness to operate in compliance with the law
- School's historical compliance record

The Board expects its charter operators to correct issues identified through their annual audits and use the audits to improve their operations. Therefore, in accordance with the matrix:

- The second time Board staff identifies through the annual audit the same issue, which the first time required a corrective action plan be submitted, a hold will be placed on certain amendments until compliance is demonstrated through the next annual audit.[1] The hold affects amendments related to the charter operator's ability to expand and includes adding sites, adding grade levels

[1] If the Board already has developed agreed upon procedures for the particular issue, which resulted in the amendment hold, the charter operator may choose to demonstrate compliance through the agreed upon procedures process in lieu of waiting until the next annual audit. If the charter operator chooses this option, then the Board expects that the charter operator's next annual audit will also demonstrate compliance.

and increasing the school's enrollment cap. Further, the charter operator will be required to submit a written response regarding the repeat noncompliance.

  - If the written response supports that the previous plan has been implemented and/or that progress has been made toward returning to full compliance, then no further information will be requested.
  - If the written response does not support that the previous plan has been implemented and/or that progress has been made toward returning to full compliance, then the charter holder will be brought to the Board for possible disciplinary action.

- The third time Board staff identifies through the annual audit the same issue, which the first time required a corrective action plan be submitted, the issue will be considered a serious impact finding and the charter operator will be brought to the Board for possible disciplinary action.

Definitions

"Second time" means either the second consecutive year that the same issue requiring a corrective action plan has been identified through the annual audit, or the next time the same issue requiring a corrective action plan is identified through the annual audit unless two consecutive audits have been submitted demonstrating compliance in this area.

"Third time" means either the third consecutive year that the same issue requiring a corrective action plan has been identified through the annual audit or the next time after the second time the same issue requiring a corrective action plan is identified through the annual audit unless two consecutive audits have been submitted demonstrating compliance in this area.

Historical Note:

Effective:	*October 14, 2003*
Board Approval Date:	*October 14, 2003*
Revised:	*July 14, 2008*

Y

POLICY STATEMENT
ACCOUNTABILITY POLICY MATRIX
A.R.S. 15-182.E

I. Staff Investigation and Report Regarding Alleged Non-Compliance

On matters that will be presented to the Board for possible action, staff will investigate the alleged non-compliance and provide the Board with following information in a written report:

a.	Statute or charter contract violation
b.	Statutory authority for potential board action
c.	Seriousness of the violation
d.	School historical compliance record indicating repeated breaches of the charter contract or law
e.	Multiple breaches of the charter contract or law
f.	How students and/or the educational environment are affected by the violation(s)
g.	Length of time violation(s) has been occurring
h.	School's compliance with staff investigation by providing necessary information and documentation and/or allowing access to the necessary information and documentation regarding alleged non-compliance
i.	School's response to staff's request for information and documentation within the specified timeframes. Timeframes will be established based upon reasonable expectations regarding the violation(s)
j.	Any other factors that have a bearing on the school's ability and willingness to operate in compliance with the charter, the law and the best interests of the children

*Schools will be provided written notice of the Board meeting in accordance with A.R.S. 15-185.H.

II. Factors to Consider in Determining Appropriate Board Action

In determining the amount of the withholding, the necessity and timing of the issuance of a notice of intent to revoke the charter, or any other remedial actions, the board may consider the following:

a.	Threat to the health and/or safety of the children
b.	School historical compliance record indicating repeated breaches of the charter contract or law
c.	Multiple breaches of the charter contract or law
d.	Not meeting the academic needs of the children
e.	Length of time violation(s) has been occurring
f.	School's compliance with staff investigation in providing necessary information and documentation regarding alleged non-compliance
g.	School's response to staff's request for information and documentation within the

	specified timeframes. Timeframes will be established based upon reasonable expectations based upon the violation(s)
h.	Non-compliance with contractual and/or statutory reporting requirements
i.	Misuse of funds
j.	Any other factors that have a bearing on the school's ability and willingness to operate in compliance with the charter and the law

III. Statutory Authority

Once the Board has determined at a public meeting that a charter school is in non-compliance with federal law, or state law, or with its charter, the Board *may*...

a.	Direct the ADE to begin withholding up to 10% of the school's monthly state aid and require the school to submit a corrective action plan within specified timeframes (A.R.S. 15-185.H)
b.	Direct the ADE to begin withholding up to 10% of the school's monthly state aid and require the school to submit a corrective action plan within specified timeframes (A.R.S. 15-185.H), and suggest a specified date for the school to be brought back before the Board for consideration on the issuance of a notice of intent to revoke for the original item(s) and any additional item(s) identified
c.	Direct the ADE to begin withholding up to 10% of the school's monthly state aid and require the school to submit a corrective action plan within specified timeframes (A.R.S. 15-185.H), and issue a notice of intent to revoke the charter (A.R.S. 15-183.I)
d.	Issue notice of intent to revoke the charter (A.R.S. 15-183.I)
e.	Other possible actions including, but not limited, to entering into a consent agreement with the school for the resolution of the non-compliance

Historical Note:

Effective: June 14, 2004
Board Approval Date: June 14, 2004
Revised: N/A

Z

Arizona State Board for Charter Schools

Physical Address
1616 W. Adams St., Suite 170
Phoenix, AZ 85007

Mailing Address
P.O. Box 18328
Phoenix, AZ 85009

TO : Administrators of charter schools sponsored by the State Board for Charter Schools and the State Board of Education

FROM : Andrea Leder, Government and Financial Services Manager

DATE : May 13, 2013

SUBJECT : Audit Guidelines

Arizona Revised Statutes (A.R.S.) §§ 15-183(E)(6) and 15-914 require all charter schools to have an annual audit. Pursuant to A.R.S. § 15-914, charter school audits must be conducted in accordance with *Government Auditing Standards*. This memorandum is designed to provide general guidance to you and your audit firm on charter school audit requirements and applies only to audits of charter schools sponsored by the Arizona State Board for Charter Schools (Board) or the State Board of Education (SBE).

Mandatory Audit Firm Qualifications

The following qualifications are mandatory for audit firms that wish to conduct charter school audits:

1. The auditors must be properly licensed certified public accountants or persons working for a licensed certified public accounting firm according to *Government Auditing Standards* (GAS).

2. The audit firm must meet the independence requirements of GAS.

3. The audit firm must have an external peer review performed at least every 3 years in accordance with GAS. The most recent external peer review report must be provided to the charter holder and the Board.

4. The audit firm must meet the continuing education requirements of GAS. Therefore, each auditor responsible for planning, directing, conducting, or reporting on GAS audits should complete at least 80 hours of continuing education every 2 years. At least 20 hours should be completed in any 1 year of the 2-year period. At least 24 of the 80 hours of continuing education should be completed in subjects directly related to the government environment, government auditing, or the specific or unique environment in which the charter school operates. The audit firm does not need to provide the Board with evidence that continuing education requirements have been met. However, the audit firm will be required to include a statement in the engagement letter affirming that the audit firm meets all of the mandatory

qualifications set forth in this section. (For more information, please see the "Engagement Letter Approval" section.)

5. In accordance with Arizona Administrative Code (A.A.C.) R7-5-502(B), the audit firm and supervising certified public accountant must maintain good standing with an accounting industry regulatory body. An audit firm's or supervising certified public accountant's status with the Arizona Board of Accountancy may be ascertained at http://www.azaccountancy.gov/CPADirectory/CPASearch.aspx.

Audit Type

Single Audit – Charter holders organized as governmental and not-for-profit entities that expend $500,000 or more in federal awards are subject to the requirements of the *Single Audit Act Amendments of 1996* and the implementing regulations of the Office of Management and Budget (OMB), including OMB Circular No. A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and are required to obtain an annual single audit. The audit requirements imposed by the *Single Audit Act Amendments of 1996* included in this memorandum apply specifically to organizations that are the primary reporting entity. In cases where the school is not the primary reporting entity – i.e., the school is part of a larger organization or considered a subsidiary of another organization that holds the charter – these requirements apply only to the primary reporting entity and not the school. However, sufficient test work must be conducted at the school level to complete the applicable compliance questionnaire(s) in accordance with both the agreed upon procedures (instructions contained therein) and the attestation standards established by the American Institute of Certified Public Accountants (see below for more information on the compliance questionnaires). If the school is the only part of the primary reporting entity that received federal financial assistance, the entity may choose to apply these requirements just to charter school operations.

Financial Statement Audit – Charter holders not subject to the *Single Audit Act Amendments of 1996* must contract for at least an annual financial statement audit pursuant to A.R.S. § 15-914. In cases where the school is not the primary reporting entity – i.e., the school is part of a larger organization or considered a subsidiary of another organization that holds the charter – the audit may be of the larger organization. However, sufficient test work must be conducted at the school level to complete the applicable compliance questionnaire(s) in accordance with both the agreed upon procedures (instructions contained therein) and the attestation standards established by the American Institute of Certified Public Accountants (see below for more information on the compliance questionnaires). The reporting entity may also choose to apply these requirements just to the charter school operations.

All audits, regardless of type, must be based on the state's fiscal year of July 1 through June 30.

Compliance Questionnaires

In addition to the financial statement or single audit, the audit firm must complete the appropriate compliance questionnaire(s) in accordance with both the agreed upon procedures (instructions contained therein) and the attestation standards established by the American Institute of Certified Public Accountants. All Board and SBE sponsored charter holders should obtain the applicable compliance questionnaire(s) from the Board's website (http://asbcs.az.gov/school_resources/audit_guidelines.asp) and not the Auditor General's website. Each charter holder is responsible for providing a copy of the appropriate compliance questionnaire(s) to the audit firm contracted to perform the audit. To determine which compliance questionnaire(s) must be completed, please see below:

- *USFRCS Compliance Questionnaire* – **This questionnaire is applicable only to charter holders that are subject to the Uniform System of Financial Records for Charter Schools (USFRCS).** The current USFRCS Compliance Questionnaire is dated 5/13 and must be used for all fiscal year 2013 audits.

- *Legal Compliance Questionnaire* – **This questionnaire is applicable to charter holders that have received an exception to the USFRCS.** It is used by Board staff to determine if a charter holder is complying with certain legal requirements. The current Legal Compliance Questionnaire is dated 5/13 and must be used for all fiscal year 2013 audits.

- *Procurement Compliance Questionnaire* – **This questionnaire is applicable to charter holders that have NOT received an exception from procurement rules** and should be completed in conjunction with either the USFRCS Compliance Questionnaire or the Legal Compliance Questionnaire. The current Procurement Compliance Questionnaire is dated 5/13 and must be used for all fiscal year 2013 audits.

The applicable compliance questionnaire(s) must be completed in accordance with both the agreed upon procedures (instructions contained therein) and the attestation standards established by the American Institute of Certified Public Accountants for each charter contract the charter holder has with either the Board or the SBE. For example, if the charter holder has three separate charter contracts with the Board and has received exceptions to the USFRCS and procurement rules for all three, then a Legal Compliance Questionnaire must be completed and submitted for each charter contract. Please note that multiple compliance questionnaires would not be required if the charter holder operated three sites under one charter contract. Under this scenario, assuming the charter holder has received USFRCS and procurement exceptions, one Legal Compliance Questionnaire must be completed and submitted. In completing the one Legal Compliance Questionnaire, the audit testing and question responses would incorporate all three sites.

Engagement Letter Approval

Laws 1999, 1st S.S., Ch. 4, sec. 15 requires the Board to approve the audit contract prior to audit commencement. The Board uses the engagement letter to meet this requirement. At this time, the Board is only approving one-year engagement terms. A copy of the engagement letter must be submitted to the Board for approval before any audit work begins. The Board prefers that engagement letters be submitted by email to Andrea.Leder@asbcs.az.gov. Please note that faxed engagement letters are not accepted. Engagement letters must be on the firm's letterhead. **Engagement letters received by the Board that are not on firm letterhead will be returned and not processed.**

The following items must be included in the engagement letter for the Board to consider its approval:

1. Review of Audit Guidelines – The engagement letter must reference that either the audit firm has reviewed the Board's audit guidelines dated May 13, 2013 or that the audit services to be provided meet the Board's audit guidelines dated May 13, 2013.

2. "Mandatory Audit Firm Qualifications" Affirmation – The engagement letter must include a statement affirming that the audit firm meets all of the mandatory qualifications set forth in the "Mandatory Audit Firm Qualifications" section (see Page 1).

3. *Government Auditing Standards (GAS)* – Since A.R.S. § 15-914 requires all charter school audits be conducted in accordance with GAS, all engagement letter must state that the audit

will be conducted in accordance with these standards and that the audit will include the report required by GAS.

4. Compliance Questionnaire(s) – The engagement letter must include a statement indicating that the audit firm will complete the appropriate compliance questionnaire(s) as required by the Board in accordance with both the agreed upon procedures (instructions contained therein) and the attestation standards established by the American Institute of Certified Public Accountants.

5. Specific Fee Information – The engagement letter must include specific fee information. If the engagement letter is for a single audit, includes fees for other services, or both, the engagement letter should specify the fee by service [e.g., $X for the financial statement audit and completion of the appropriate compliance questionnaires(s), $Y for the single audit, $Z for the preparation of the information return].

6. Retention and Availability of Audit Documentation – Minimally, the engagement letter must include the following or similar language related to the retention and availability of the audit documentation:

   "The audit documentation for this engagement is the property of [name of audit firm] and constitutes confidential information. However, pursuant to the authority given by law or regulation, we may be requested to make certain audit documentation available to your sponsor or its designee or to produce the audit documentation at the Board's office, if so requested, for purposes of reviewing the audit's quality, resolving audit findings, or carrying out oversight responsibilities. If requested, access to such audit documentation will be provided under the supervision of [name of audit firm]. Furthermore, upon request, we may provide photocopies of selected audit documentation to your sponsor. Your sponsor may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. All audit documentation will be retained in its entirety for a period of 5 years after the report release date unless the State Board for Charter Schools requests a longer retention period."

The Board will disapprove any engagement letter that fails to address the requirements specified in this section or in A.A.C. R7-5-502(B).

Please note that by approving the engagement letter, the Board is not giving any assurance that the audit fee requested is reasonable, the projected completion date will be attained, or the audit reporting package will comply with applicable auditing standards and the minimum audit and reporting standards prescribed by the Board.

Complete Audit Reporting Packages

The audit firm shall provide at least one copy of the complete audit reporting package to the charter holder, one copy to the Board (see "Audit Deadline/Timeframe" section), and one copy to the Arizona Department of Education Grants Management either by email to grants@azed.gov or at the address listed below:

Arizona Department of Education
ATTN: Grants Management
1535 W. Jefferson Street, Bin 3
Phoenix, AZ 85007-3209

For single audits, the audit firm shall also provide one copy of the audit reporting package and data collection form to the Federal Audit Clearinghouse's Internet Data Entry System at the following address: http://harvester.census.gov/fac/collect/ddeindex.html.

For an audit reporting package to be considered complete, it must include at least the following:

For Financial Statement Audits:

1. Financial statements, including the audit firm's opinion thereon
2. *Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*
3. The applicable compliance questionnaire(s) as described above with an agreed upon procedures report thereon in accordance with the attestation standards established by the American Institute of Certified Public Accountants
4. Management letter issued, if applicable

For Single Audits:

In addition to the items listed above for financial statement audits:

1. Schedule of Expenditures of Federal Awards, including the audit firm's report thereon
2. Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular No. A-133
3. Summary Schedule of Prior Audit Findings
4. Schedule of Findings and Questioned Costs
5. Corrective Action Plan

In accordance with A.A.C. R7-5-503, a charter holder that fails to submit a complete audit reporting package shall appear before the Board for possible disciplinary action.

Audit Deadline/Timeframe

The deadline to submit the complete audit reporting package to the Board is November 15th, except that an extension is possible only for a charter holder that is subject to the *Single Audit Act Amendments of 1996*. The Board has not authorized staff to grant extensions for other reasons. In order to consider granting a single audit extension, the Board must receive an engagement letter for a single audit from the charter holder or its audit firm by November 15th and prior to the commencement of the audit. Single audit extensions are only granted through the engagement letter process.

The complete financial statement audit reporting package may either be sent electronically to Andrea.Leder@asbcs.az.gov or mailed to the Board at P.O. Box 18328, Phoenix, AZ 85009 or delivered to the Board's office at 1616 W. Adams Street, Suite 170 in Phoenix. The Board prefers that

financial statement audit reporting packages be submitted by email. Complete financial statement audit reporting packages received by the Board on or before November 15th by 11:59 p.m. for emailed copies or by 5 p.m. for paper copies will be considered timely submitted. Please note that faxed financial statement audit reporting packages are not accepted. Financial statement audit reporting packages must be on the firm's letterhead and include the appropriate signatures. **Financial statement audit reporting packages received by the Board that are not on firm letterhead and/or do not contain the appropriate signatures will be returned and not processed.** For those choosing to submit a paper copy of the financial statement audit reporting package, the Board will accept an unbound and double-sided copy.

For charter holders that receive a single audit extension, a complete single audit reporting package must be submitted by March 31st. The Board prefers that single audit reporting packages be submitted by email to Andrea.Leder@asbcs.az.gov. Complete single audit reporting packages received by the Board on or before March 31st by 11:59 p.m. for emailed copies or by 5 p.m. for paper copies will be considered timely submitted. Please note that faxed single audit reporting packages are not accepted. Single audit reporting packages must be on the firm's letterhead and include the appropriate signatures. Single audit reporting packages received by the Board that are not on firm letterhead and/or do not contain the appropriate signatures will be returned and not processed. For those choosing to submit a paper copy of the single audit reporting package, the Board will accept an unbound and double-sided copy.

Failure to submit a complete financial statement or single audit reporting package by the specified deadline will be noted in the charter holder's compliance history and may result in the charter holder being placed on the next Board meeting agenda for possible disciplinary action.

Review of Complete Audit Reporting Packages

The annual audit reporting package serves as one of the primary tools used by the Board to carry out its statutorily mandated oversight responsibilities for the charter schools it sponsors. As such, each audit reporting package is reviewed in accordance with A.A.C. R7-5-504 and the Board's *Audit & Compliance Questionnaire Follow-up Matrix*.

Additionally, Laws 1999, 1st S.S., Ch. 4, sec. 15 requires the Board to approve the completed audit reporting packages. In accordance with this statutory requirement, if, as part of Board staff's review conducted pursuant to A.A.C. R7-5-504, possible issues are identified (e.g., issues related to the accuracy of information in the audit reporting package), Board staff will follow-up with the charter holder, audit firm, or both as described in the "Review of Audit Firm Performance/Adherence to Standards" section below. Please note that the review of the audit reporting package conducted pursuant to A.A.C. R7-5-504 is not the same as the completeness determination made in accordance with A.A.C. R7-5-503 and addressed in the "Complete Audit Reporting Packages" section beginning on Page 4.

Review of Audit Firm Performance/Adherence to Standards

In accordance with Laws 1999, 1st S.S., Ch. 4, sec. 15, the Board reviews the audit reporting packages and may review audit documentation of audit firms performing charter school audits to determine the quality of technical performance and adherence to the cited standards and OMB Circular No. A-133 and to determine whether the audit firms met the minimum standards prescribed by the Board for completing the compliance questionnaires.

To that end, if as part of Board's staff review conducted pursuant to A.A.C. R7-5-504, possible issues are identified, Board staff will follow-up with the audit firm, charter holder, or both as follows:

- For possible issues related to the financial statements and related disclosures (e.g., the accuracy of this information), Board staff will first contact the audit firm to discuss the possible issue and, if an issue indeed exists, determine if it involves an oversight or mistake by the audit firm. If an oversight or mistake occurred, the audit firm will be asked to correct the issue and submit revised financial statements or related disclosures, as applicable, to the Board and the charter holder. If an issue does exist, but does not involve an oversight or mistake by the audit firm, Board staff will contact the charter holder as the entity responsible for the financial statements to discuss the identified issue. If the issue or combination of issues is determined to be significant enough, the charter holder may be asked to reissue the financial statements.

- For possible issues related to the GAS report or the compliance questionnaires (e.g., the completeness or accuracy of this information), Board staff will contact the audit firm to discuss the possible issue and, if an issue indeed exists, will ask the audit firm to correct the issue and submit the revised document(s) to the Board and to the charter holder. If the audit firm fails to correct the issue, Board staff will send a letter to the audit firm's client, asking for the charter holder's assistance. If Board staff's review identifies that the audit firm did not complete the compliance questionnaire(s) in accordance with the prescribed minimum audit standards (e.g., all "No" and "N/A" answers are not adequately explained), Board staff will notify both the audit firm and charter holder and will provide a deadline by which the audit firm must submit the revised questionnaire(s) to the Board and the charter holder.

Based on issues identified through the review of complete audit reporting packages or to help ensure that the minimum standards prescribed by the Board in its compliance questionnaires are being adhered to, Board staff may ask to review certain documentation or require the audit firm to produce the documentation at the Board's office in a format that is accessible by the Board. The documentation shall be subject, at all reasonable times, to review upon request by the Board. Board staff will coordinate any such requests with the audit firm.

Adjustment for Audit Costs

Schools that are only required to have an annual financial statement audit may be reimbursed for audit costs paid from state and local monies by increasing their budgets, as outlined in A.R.S. §15-914(F). Specific instructions for calculating this increase have been included in the charter school annual budget forms and budget work sheets. These worksheets are available at www.auditorgen.state.az.us. The Arizona Department of Education receives copies of the engagement letters approved by the Board and uses them when determining the audit cost adjustment.

Schools that are required to have a single audit may charge audit costs applicable to each federal program to the appropriate federal project. This action requires filing a project amendment with the Arizona Department of Education and budgeting an appropriate amount under Support Services—Business, function code 2500, and Purchased Professional and Technical Services, object code 6300. Any remaining audit costs, however, should be paid for from state and local monies.

Questions

If you have any questions or need assistance, please contact Andrea Leder at (602) 364-3106 or Andrea.Leder@asbcs.az.gov.

AA

FY 2013 SUMMARY OF CHARTER SCHOOL PROPOSED BUDGET

CTDS Number 078555000

1000 SCHOOLWIDE PROJECT	Totals		%
	Current Year 2012	Budget Year 2013	Increase/ Decrease
100 Regular Education			
1000 Instruction	93,668	98,143	4.8%
Support Services			
2100 Students	1,318	2,233	69.4%
2200 Instruction	0	0	
2300 General Administration	0	0	
2400 School Administration	8,289	800	-90.3%
2500 Central Services	16,281	18,870	15.9%
2600 Operation & Maintenance of Plant	31,432	33,740	7.3%
2900 Other Support Services	0	0	
3000 Operation of Noninstructional Services	2,000	2,000	0.0%
4000 Facilities Acquisition & Construction	0	0	
5000 Debt Service	100	21,600	21500.0%
610 School-Sponsored Cocurricular Activities	0	0	
620 School-Sponsored Athletics	0	0	
630, 700, 800, 900 Other Programs	0	0	
Regular Education Subtotal	153,088	177,386	15.9%
200 Special Education			
1000 Instruction	538	500	-7.1%
Support Services			
2100 Students	0	0	
2200 Instruction	0	0	
2300 General Administration	0	0	
2400 School Administration	0	0	
2500 Central Services	0	0	
2600 Operation & Maintenance of Plant	0	0	
2900 Other Support Services	0	0	
3000 Operation of Noninstructional Services	0	0	
4000 Facilities Acquisition & Construction	0	0	
5000 Debt Service	0	0	
Special Education Subtotal	538	500	-7.1%
300 Special Ed.Disability Title 8 PL 103-382 Add-On	0	0	
400 Pupil Transportation	0	2,500	
530 Dropout Prevention Programs	0	0	
540 Joint Career & Tech. Ed. & Voc. Ed. Center	0	0	
550 K-3 Reading	[illegible]	2,614	[illegible]
Total	153,626	183,000	19.1%

The budget of New Destiny Leadership Charter School for fiscal year 2013 was officially proposed by the Governing Board on June 29, 2012. The complete budget may be reviewed by contacting Dr. Barbara Tinsley at 602-268-2234 or newdestinybjt@hotmail.com.

SPECIAL EDUCATION PROGRAMS	Totals		%
	Current Year 2012	Budget Year 2013	Increase/ Decrease
Autism	0	0	
Developmental Delay	0	0	
Emotional Disability	0	0	
Hearing Impairment	0	0	
Other Health Impairments	0	0	
Specific Learning Disability	0	0	
Mild, Moderate, or Severe Intellectual Disability	0	0	
Multiple Disabilities	0	0	
Multiple Disabilities with Severe Sensory Impairment	0	0	
Orthopedic Impairment	0	0	
Speech/Language Impairment	538	500	-7.1%
Traumatic Brain Injury	0	0	
Visual Impairment	0	0	
Gifted Education	0	0	
ELL Incremental Costs	0	0	
ELL Compensatory Instruction	0	0	
Remedial Education	0	0	
Vocational and Technological Ed.	0	0	
Career Education	0	0	
Total	538	500	-7.1%

EXPENSES BY PROJECT	Totals		%
	Current Year 2012	Budget Year 2013	Increase/ Decrease
Schoolwide	153,626	183,000	19.1%
Classroom Site Projects	5,583	8,733	56.4%
Instructional Improvement	0	0	
ELL Structured English Immersion	0	0	
ELL Compensatory Instruction	0	0	
Federal Projects	43,299	16,400	-62.1%
State Projects	0	0	
Capital Acquisitions	0	0	
Total Expenses	202,508	208,133	2.8%

BB

POLICY STATEMENT

BOARD NOTIFICATION OF SIX MONTHS OF NON-COMPLIANCE

The Board directs ASBCS staff to bring individual schools that have had state aid withheld for non-compliance for six months to the Board for consideration of an issuance of a Notice of Intent to Revoke the charter.

For schools having state aid withheld for failure to timely submit their annual audit reporting package, the Board directs ASBCS staff to bring the individual schools to the Board after two months of withholding for consideration of an issuance of a Notice of Intent to Revoke the charter.

Historical Note:

Effective:	*October 15, 2002*
Board Approval Date:	*October 15, 2002*
Revised:	November 27, 2007

CC

POLICY STATEMENT
TEMPORARY SUSPENSION OF CHARTER SCHOOL OPERATION
A.R.S. 15-183

Board Policy Regarding Temporary Suspension of Charter School Operation

Upon presentation of requested documentation to Board staff, the Board may consider, on a case-by-case basis the suspension of a charter school's operation.

Suspensions may be granted for an entire school year, semester, term or other recognized unit of school operation.

The Board may seek to revoke the charter of any charter school operator that fails to return the charter school to operation within the timeframe prescribed by the Board in granting the suspension or to otherwise comply with the terms of suspension imposed by the Board.

Internal Policy Regarding Temporary Suspension of Charter School Operation

Requests for temporary suspension must be submitted to the Board's Staff in writing prior to the date on which the requested suspension will begin. In addition, requests must indicate the following items:

- the length of suspension requested;
- the reason for the suspension;
- the school sites or grades for which the suspension is requested;
- the number of students impacted by the suspension;
- a description of the state and federal revenues received to date and the impact of suspension on the these revenues;
- a plan to resume operation of the charter school, including any efforts that will be undertaken to remedy the reason for the suspension request; and
- detailed measures with a timeline that will be taken by the charter school operator to alleviate any disruption to students and parents that may be caused by the suspension, including parental notification procedures and efforts to assist parents in locating alternative public schools for their children.

Board staff will prepare information to be presented to the Board that includes the items listed above as well as the following:

- The status of compliance with all applicable federal, State and local laws, and with all of the terms of the charter.
- The academic standing as defined by federal and state laws (e.g. A.R.S. § 15-241).
- A statement regarding the impact on students in the current and continuing school year.

Historical Note:

Effective: November 15, 2004
Board Approval Date: November 15, 2004
Revised: N/A

DD

RE: 2012 Audit

From: **Barbara Tinsley** (newdestinybjt@hotmail.com)
Sent: Mon 6/11/12 3:21 PM
To: alorenzo@lorenzocpa.com; monika fulleer (atigroup@cox.net); Charles Tinsley (ctinsley@cox.net)

Good Afternoon Mr. Lorenzo,

Yes, New Destiny would like for your company to do our 2012 audit.

Dr. B. J. Tinsley

From: alorenzo@lorenzocpa.com
To: newdestinybjt@hotmail.com
CC: atigroup@cox.net
Subject: 2012 Audit
Date: Fri, 8 Jun 2012 14:05:11 -0700

Hi Dr. Tinsley,

I am contacting you regarding the 2012 audit. At this time I have not received an answer as to whether New Destiny will retain Lorenzo, PLC as the School's audit firm. As a reminder the 2012 fees are as follows:

Audit: $5,750

Form 990: $ 750

Please contact me no later than June 15, even if you decide to not retain Lorenzo, PLC.

Thank you,

Anthony Lorenzo, CPA

Managing Member

Lorenzo, PLC

1450 W. Guadalupe Road

Suite 111

Gilbert, AZ 85233

Tel: (480) 644-1097

Fax: (480) 644-9405