Arizona State Board for Charter Schools
November 26, 2012
1616 West Adams Street
Phoenix, Arizona 85007
Suite 170

SUMMARY

Members Present- Jake Logan- President Peter Bezanson- Vice President Stacey Morley- Superintendent's Designee (Joined telephonically until Compliance Matters (Item M(2)(a)) Ruby Alvarado-Hernandez- Public Member Mark Anderson- Business Member Norm Butler- Public Member Janna Day- Public Member Tim Eyerman- Charter School Teacher Royce Jenkins- Reservation Resident Member (Joined telephonically during Compliance Matters (Item M(2)(a)) Todd Juhl- Public Member Kathy Senseman- Public Member Meeting began at 1:05 p.m.	**Members Absent-** Rep. Yee- Advisory Member
Agenda Item A. Pledge of Allegiance **Agenda Item B. Moment of Silence** **Agenda Item C. Roll Call**	 Bianca Ulibarri called the roll and confirmed a quorum.
Agenda Item D. Call to the Public **Agenda Item E. Arizona Charter Schools Association Update** **Agenda Item F. Superintendent's Report** **Agenda Item G. Executive Director's Report**	No call to the public Recorded comments are available. Recorded comments are available. Recorded comments are available.
Agenda Item H. Consent Agenda 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	Items (H) 4, 5 (Procurement Laws Exception), 6, and 8 were tabled **MOTION** Ruby Alvarado-Hernandez made the following motion: I move to approve the Consent Agenda Items (H) 1, 2, 3, 5(USFRCS Exception) and item 7. Norm Butler seconded the motion. **Motion passed unanimously** (Recused: Eyerman, Bezanson)

Laws Exception	
Agenda Item I. Charter Replication Application - Archway Classical Academy - Glendale	**MOTION** Mark Anderson made the following motion: I move, based on the information contained in the Board materials and presented today, that the Board approve the replication application and grant the replication charter to Archway Classical Academy Glendale to establish Great Hearts Academies – Archway Glendale charter school to serve grades K-5. Ruby Alvarado-Hernandez seconded the motion. **Motion passed unanimously** (Recused: Bezanson)
Agenda Item J. Transfer of Charter Contract - Developing Innovations in Navajo Education, Inc. (DINE, Inc.)	This item was tabled
Items taken out of order: **Agenda Item L. Academic Performance Framework**	**MOTION** Peter Bezanson made the following motion: I move to adopt the Academic Performance Framework as revised and presented today. Norm Butler seconded the motion. **Motion passed unanimously**
Agenda Item M. Compliance Matters 1. Paideia Academies, Inc.	**MOTION** Norm Butler made the following motion: I move, based on the information contained in the Board materials and presented today, that the Board find the following: 1) That The Paideia Academies, Inc. failed to comply with the fingerprinting requirements prescribed in A.R.S. §15-183(C) for one of its teachers; and 2) That The Paideia Academies, Inc. failed to comply with the fingerprinting requirements prescribed in A.R.S. §15-512 for one of its non-instructional personnel; and 3) That for civil penalty purposes under A.R.S. §15-185(I), this constitutes the first time The Paideia Academies, Inc. is out of compliance with statutory fingerprinting requirements; and 4) That The Paideia Academies, Inc. failed to provide proof within the required timeframe of notification that an application for the appropriate fingerprint check has been received by the Department of Public Safety; and 5) That, as a result, the Board imposes a civil penalty of $2,000 for the two occurrences of The Paideia Academies, Inc.'s noncompliance with fingerprinting requirements prescribed in A.R.S. 15-183(C). Further, the Board directs staff to: • Apprise the charter operator of the Board's findings and decision in this matter and its appeal rights under

	Arizona law; • Notify the charter operator that if the Board determines that the charter school subsequently violates the fingerprinting requirements during the next five years, a civil penalty of $1,000 per occurrence shall automatically be imposed; and • Timely request the Arizona Department of Education to reduce the amount of state aid that the charter operator would otherwise receive by an amount equal to the civil penalty. Ruby Alvarado-Hernandez seconded the motion. **Motion passed unanimously**
2. a. **Fiscal Year 2012 Annual Financial Audit** <u>First Year Late</u> i. Ahwatukee Foothills Prep Early College High School, Inc. ii. Ahwatukee Foothills Prep, Inc. iii. ~~Athlos Traditional Academy~~ REMOVED iv. ~~Calibre Academy, Inc.~~ - REMOVED v. DCS Partners, Inc. vi. ~~E-Institute Charter School, Inc.~~ - REMOVED vii. Employ-Ability Unlimited, Inc. viii. Keystone Montessori Charter School, Inc. ix. ~~LEAD Charter Schools (Entity ID 91174) (Submitted incomplete audit reporting package)~~ REMOVED x. ~~Legacy Traditional School – Avondale~~ REMOVED xi. ~~Legacy Traditional School – Northwest Tucson~~ REMOVED xii. ~~The Odyssey Preparatory Academy, Inc.~~ - REMOVED xiii. Patriot Academy, Inc. xiv. West Valley Arts and Technology Academy, Inc.	**MOTION** Norm Butler made the following motion: I move that the entities listed in M (2a) i, ii, vii, viii, xiii and xiv have failed 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. Based on that the Board has determined that a breach has occurred and that the Board moves to withhold 10% monthly apportionment of the State aid requiring a corrective action plan pursuant to A.R.S. §15-185 (h). Peter Bezanson seconded the motion. **Motion passed through majority vote (9-1)** (Abstain: Jenkins) **MOTION** Peter Bezanson made the following motion: I move to find DCS Partners, Inc. are in noncompliance with state law and their charter contract for their failure to submit the compliance audits and approve withholding 10% of their monthly State aid apportionment until the fiscal year 2012 compliance audit is submitted. Ruby Alvarado-Hernandez seconded the motion. **Motion passed through majority vote (7-3)** (No: Bezanson, Anderson, Senseman)
<u>Second Consecutive Year Late</u> i. Kin Dah Lichii Olta ii. New Destiny Leadership Charter School	**MOTION** Norm Butler made the following motion: I move to find Kin Dah Lichii Olta and New Destiny Leadership Charter School in noncompliance with state law and their charter contracts for their failure to submit the annual financial statement and compliance audits and approve withholding 10% of each charter holder's monthly State aid apportionment until the fiscal year 2012 annual financial statement and compliance audits is submitted. Ruby Alvarado-Hernandez seconded the motion. **Motion passed through majority vote (7-3)** (No: Bezanson, Eyerman, Senseman)

Third Consecutive Year Late i. Camelback Education, Inc.	**MOTION** Peter Bezanson made the following motion: I move to issue a Notice of Intent to Revoke the charter contract of Camelback Education, Inc. for failure to submit the fiscal year 2012 annual financial statement and compliance audit as required by A.R.S. §15-183.E.6, A.R.S. §15-914, and the charter contract. Within 48 hours of receipt of the Notice the charter operator shall notify staff and parents/guardians of registered students of the Notice of Hearing on Intent to Revoke Charter and provide a school location where the copy may be reviewed; Within 20 days of receipt of the Notice the charter operator shall provide copies of all correspondence and communications used to comply with the preceding provision; and Within 20 days of receipt of the Notice the charter operator shall provide the Board with the names and mailing addresses of parents/guardians of all students registered with the school. I further move, to find Camelback Education, Inc. are in noncompliance with state law and their charter contract for their failure to submit the annual financial statement and compliance audits and approve withholding 10% of the charter holder's monthly State aid apportionment until the fiscal year 2012 annual financial statement and compliance audits is submitted. Ruby Alvarado-Hernandez seconded the motion. **Motion passed unanimously**
b. Fiscal Year 2012 Annual Financial Report Second Consecutive Year Late i. New Destiny Leadership Charter School	**MOTION** Norm Butler made the following motion: I move to find New Destiny Leadership Charter School in noncompliance with state law and their charter contract for their failure to timely submit the Annual Financial Report and for the record acknowledge that if New Destiny Leadership Charter School was currently receiving state funds, the Board would withhold 10% of the charter holder's monthly state aid apportionment until the fiscal year 2012 AFR was submitted to ADE. Ruby Alvarado-Hernandez seconded the motion. **Motion passed through majority vote (7-3)** (No: Bezanson, Eyerman, Juhl)
Items taken out of order: **Agenda Item K. Charter Renewal Application** - Keystone Montessori Charter School, Inc.	**MOTION** Peter Bezanson made the following motion: I move that, based upon a review of the information provided by the representatives of the charter holder and the contents of the application package which includes the academic performance, the fiscal compliance, and legal and contractual compliance of the charter holder over the charter term, the Board has sufficient basis to

	deny the request of Keystone Montessori Charter School for the renewal of its charter on the grounds that it failed to submit the fiscal year 2012 audit reporting package in accordance with A.R.S. §15-183(E)(6) and A.R.S. §15-914 and its charter contract. That taken into consideration, there is an expectation that the charter holder can submit the fiscal year 2012 audit reporting package within 10 days. Therefore, the Board will grant a renewal contract so long as a complete audit reporting package is received by close of business on December 7, 2012. If Keystone Montessori Charter School fails to submit a complete fiscal year 2012 audit reporting package, then it is the Board's decision that Keystone Montessori Charter School's request for renewal of its charter be denied for the reasons already specified. Janna Day seconded the motion. **Motion passed through majority vote (9-1)** (No: Alvarado-Hernandez)
Agenda Item N. Request for Suspension of Operations 1. New Destiny Leadership Charter School ~~2. The Paideia Academy of Chandler, Inc.~~ - Withdrawn	**MOTION** Todd Juhl made the following motion: I move, based on the information contained in the Board materials and presented today, that the Board deny the request for a Temporary Suspension of Operation to the charter held by New Destiny Leadership Charter School for the reasons that: -The charter holder failed to provide a comprehensive program of instruction as required by the charter contract. -Failed to timely submit the FY2012 annual financial audit in accordance with A.R.S. § 15- 183(E)(6). -Failed to timely submit the annual financial report in accordance with A.R.S. § 15-183(E)(6). Further, the Board directs staff to work with the charter holder on the terms of a surrender agreement to be considered by the Board at the next regularly scheduled meeting. If such an agreement cannot be reached, staff will provide the Board with documentation to consider a Notice of Intent to Revoke the charter at a future Board meeting. Peter Bezanson seconded the motion. **Motion passed unanimously**
Agenda Item O. Consent Agreement for Founding Fathers Academies, Inc.	**MOTION** Norm Butler made the following motion: I move to approve and accept the consent agreement for Founding Fathers Academies, Inc. Ruby Alvarado-Hernandez seconded the motion. **Motion passed unanimously**

Agenda Item P. Board Comments and Future Meeting Dates	Recorded comments are available.
Agenda Item Q. Adjournment The meeting adjourned at approximately 3:31 p.m.	