

**Arizona State Board for Charter Schools
November 13, 2018
1535 West Jefferson Street
Phoenix, Arizona 85007
State Board of Education Board Room
SUMMARY**

<p>Members Present- Kathy Senseman - President Rachel Yanof - Vice President (left during item N) Charles Tack – Superintendent’s Designee Carol Crockett - Public Member Hans-Dieter Klose - Reservation Resident Member Mary Ellen Lee - Charter School Teacher (joined during item D) Matthew Mason - Business Member Freddy Mendoza - Public Member James Swanson - Business Member (joined during item E) (left during item N) Erik Twist - Charter School Operator (joined during item E) (left during item N)</p> <p>Meeting began at 9:03 a.m.</p>	<p>Members Absent- Justan Rice - Public Member</p>
<p>Agenda Item A. Pledge of Allegiance</p> <p>Agenda Item B. Moment of Silence</p> <p>Agenda Item C. Roll Call</p>	<p>Alexis Rico called the roll and confirmed a quorum.</p>
<p>Agenda Item D. Superintendent’s Report</p>	<p>Recorded comments are available.</p>
<p>Agenda Item E. Arizona Charter Schools Association</p>	<p>Recorded comments are available.</p>
<p>Agenda Item F. A for Arizona</p>	<p>Recorded comments are available.</p>
<p>Agenda Item G. Executive Director’s Report</p> <ol style="list-style-type: none"> 1. Status of Board actions and legal matters 2. Update on the Financial Framework Subcommittee 3. Enrollment cap update 	<p>Recorded comments are available.</p>
<p>Agenda Item H. Call to the Public</p>	<p>The following individual(s) addressed the Board: Onida Perkel, Jacque Salomon, Yara Vargas, Aaron Flannery, Julian Alejandre, Julissa, Rorie, Danna, Priscilla (Students), and Anita Mendoza addressed the Board.</p>
<p>Agenda Item I. Consent Agenda</p>	<p style="text-align: center;">MOTION</p> <p>Mary Ellen Lee made the following motion: I move to approve the consent agenda as presented. Freddy Mendoza seconded the motion.</p> <p style="text-align: center;">Motion passed unanimously</p>

	<p align="center">(Aye: Senseman, Yanof, Tack, Crockett, Klose, Lee, Mason, Mendoza, Swanson, Twist)</p>
<p>Agenda Item J. Charter Amendment – Discussion and possible action on the charter representative and two charter holder governance amendment requests from PLC Arts Academy at Scottsdale, Inc.</p>	<p align="center">MOTION</p> <p>Mary Ellen Lee made the following motion: I move, based on the information contained in the Board materials and presented today, to approve the requests to change the Charter Representative of PLC Arts Academy at Scottsdale, Inc. from Kimberly Steele to Douglas Pike, and to remove Kimberly Steele and Garnett Sailor from the Charter Holder’s corporate board.</p> <p>Carol Crockett seconded the motion.</p> <p align="center">Motion passed unanimously</p> <p align="center">(Aye: Senseman, Yanof, Tack, Crockett, Klose, Lee, Mason, Mendoza, Swanson, Twist)</p>
<p>Agenda Item K. Schools with an “F” Letter Grade</p>	<p align="center">MOTION</p> <p>Mary Ellen Lee made the following motion: I move that the Board adopt the terms of the consent agreement used for restoring charters due to an “F” letter grade as presented to the Board today and found in the materials for today’s Board meeting. Additionally, Kathy Senseman, as Board President shall be given the authority to enter into the consent agreements as approved today with the schools that received an “F” letter grade in FY 2018.</p> <p>Carol Crockett seconded the motion.</p> <p align="center">Motion passed unanimously</p> <p align="center">(Aye: Senseman, Yanof, Tack, Crockett, Klose, Lee, Mason, Mendoza, Swanson, Twist)</p>
<p>Agenda Item L. Compliance Matters –</p> <ol style="list-style-type: none"> 1. The Board will receive information to determine whether evidence exists that Desert Springs Academy, Inc. is in breach of one or more provisions of their charter contract, federal, state, or local laws regarding their failure to appropriately request approval from the Board to amend its charter to make changes to its corporate board. 	<p align="center">MOTION</p> <p>Erik Twist made the following motion: I move to find Desert Springs Academy, Inc. in noncompliance with its charter contract due to a lack of alignment between its corporate board and the Arizona Corporation Commission and its failure to amend its charter to make changes to its corporate board. Therefore, I move to approve withholding 10% of the Charter Holder’s monthly State aid apportionment until an administratively and substantively complete Charter Holder Governance Amendment Request is submitted to the Board for consideration and is approved.</p> <p>Mary Ellen Lee seconded the motion.</p> <p align="center">Motion passed unanimously</p> <p align="center">(Aye: Senseman, Yanof, Tack, Crockett, Klose, Lee, Mason, Mendoza, Swanson, Twist)</p>

<p>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 timely submit the annual financial report in accordance with A.R.S. § 15-183(E)(6).</p> <ul style="list-style-type: none"> a. Center for Creative Education, Inc. b. Friendly House, Inc. c. P.L.C. Charter Schools 	<p style="text-align: center;">MOTION</p> <p>Freddy Mendoza made the following motion: I move to find Friendly House, Inc. are in noncompliance with state law and their charter contracts for their failure to timely submit the Annual Financial Report and approve withholding 10% of each charter holder’s monthly state aid apportionment until the fiscal year 2018 AFR is submitted to ADE.</p> <p>Mary Ellen Lee seconded the motion.</p> <p style="text-align: center;">Motion passed unanimously</p> <p style="text-align: center;">(Aye: Senseman, Yanof, Tack, Crockett, Klose, Lee, Mason, Mendoza, Swanson, Twist)</p>
<p>Agenda Item M. Pointe Educational Services</p>	<p style="text-align: center;">MOTION</p> <p>Rachel Yanof made the following motion: Pursuant to A.R.S. § 38-431.03(A)(4), the Board will vote to convene in executive session, which will not be open to the public, for discussion or consultation with the Board’s attorneys in order to consider its position and instruct its attorneys regarding the Board’s position in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation regarding Agenda Item M. Pointe Educational Services. Carol Crockett seconded the motion.</p> <p style="text-align: center;">Motion passed unanimously</p> <p style="text-align: center;">(Aye: Senseman, Yanof, Tack, Crockett, Klose, Lee, Mason, Mendoza, Swanson, Twist)</p> <p style="text-align: center;">Board went into Executive Session at 10:42 a.m. Board returned from Executive Session at 12:02 p.m.</p> <p style="text-align: center;">MOTION</p> <p>Matthew Mason made the following motion: I move that the Board adopt the Settlement Agreement with Pointe Educational Services as modified to add a paragraph 54 which shall state “P.E.S. hereby attests that it is in compliance with all state and federal laws including without limitation internal revenue statutes and regulations governing its tax exempt status”, and direct staff to make necessary changes to the agreement to reflect this action and if Pointe approves the revised agreement the Board authorizes staff to then vacate the scheduled hearing and Kathy Senseman is authorized to execute the amended Settlement Agreement.</p> <p>Freddy Mendoza seconded the motion.</p> <p style="text-align: center;">Motion passed unanimously</p>

	<p>(Aye: Senseman, Yanof, Tack, Crockett, Klose, Lee, Mason, Mendoza, Swanson, Twist)</p>
<p>Agenda Item N. Discussion and possible action regarding Legacy Education Group, et al. v. Arizona State Board for Charter Schools (1 CA-CV 17-0023).</p>	<p style="text-align: center;">MOTION</p> <p>Rachel Yanof made the following motion: I move that Pursuant to A.R.S. § 38-431.03(A)(3) and (4), the Board may vote to convene in executive session, which will not be open to the public, for discussion or consultation for legal advice with the Board’s attorneys concerning this item or for discussion or consultation with the Board’s attorneys in order to consider its position and instruct its attorneys regarding the Board’s position in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation.</p> <p>Mary Ellen Lee seconded the motion.</p> <p style="text-align: center;">Motion passed unanimously</p> <p style="text-align: center;">(Aye: Senseman, Yanof, Tack, Crockett, Klose, Lee, Mason, Mendoza, Twist) (Break: Swanson)</p> <p style="text-align: center;">Board went into Executive Session at 12:12 p.m. Board returned from Executive Session at 1:10 p.m.</p> <p style="text-align: center;">MOTION</p> <p>Freddy Mendoza made the following motion: I move to direct counsel to act as discussed in executive session on Agenda Item N.</p> <p>Matthew Mason seconded the motion.</p> <p style="text-align: center;">Motion passed unanimously</p> <p style="text-align: center;">(Aye: Senseman, Tack, Crockett, Klose, Lee, Mason, Mendoza)</p>
<p>Agenda Item O. Summary of Current Events, Future Meeting Dates and Items for Future Agendas</p>	<p>Recorded comments are available.</p>
<p>Agenda Item P. Adjournment The meeting adjourned at approximately 1:12 p.m.</p>	