

**Arizona State Board for Charter Schools  
On-going Board Actions as of July 6, 2010**

<b>Withholding</b>					
<b>School Name</b>	<b>Date of Board Action</b>	<b>Violation</b>	<b>Notes</b>	<b>Status of Corrective Action Plan</b>	<b>Date issue, if unresolved, will come back before the Board</b>
<b>Back-to-Basics</b>	5/11/10	Noncompliance with state law for failing to report student attendance data in accordance with A.R.S. §§ 15-185(B)(2), 15-901 and 15-902	<p>Corrective action plan for the charter holder includes:</p> <ul style="list-style-type: none"> <li>•Demonstration that the charter holder has corrected the student attendance data for fiscal year 2010 reported to ADE and used for funding purposes. This would include providing all information to and completing all steps required by ADE. Board staff will review the revised student attendance data for the charter holder after the data have been aggregated by ADE to ensure the data accurately reflect, within 2%, the information found on the teacher-marked attendance rosters.</li> <li>•Detailed policies and procedures related to student attendance recording and reporting that address the charter holder’s overall processes as well as specific steps included to ensure the issues identified by the Board during its site visits to the school do not recur.</li> <li>•Evidence that the policies and procedures have been adopted by the charter holder’s corporate or governing body, as appropriate (e.g., meeting minutes).</li> <li>•Implementation of the policies and procedures developed and adopted by the charter holder that result in the submission of accurate data through the first 40 days of FY 2011.</li> </ul>		Notice of Intent to Revoke was issued as part of the motion.

## Withholding

School Name	Date of Board Action	Violation	Notes	Status of Corrective Action Plan	Date issue, if unresolved, will come back before the Board
<b>Bradley Academy of Excellence, Inc.</b>	June 14, 2010	Failure to comply with attendance record retention requirements pursuant to A.R.S. §39-121.01 and in accordance with the General Retention Schedule for School Districts and Charter Schools published by the Arizona State Library, Archives and Public Records	Compliance must be demonstrated through the fiscal year 2010 audit. If Bradley Academy of Excellence's fiscal year 2010 audit does not demonstrate compliance, the charter holder will be brought back to the Board for consideration of other ways through which the charter holder could demonstrate compliance in order to have the 10% returned.		January 2011
<b>Discovery Plus Academy</b>	5/11/09  5/11/10	Failure to comply with Classroom Site Fund requirements	Charter must demonstrate compliance through fiscal year 2009 audit or Agreed Upon Procedures.  Board took no action at March 8, 2010 board meeting after reviewing the Staff Report.  Board added compliance demonstrated through FY10 audit to the options.  ADE was notified on June 7, 2010 to return the 10% withholding with the August equalization payment.	Agreed Upon Procedures demonstrating compliance were received on June 7, 2010.	January 2010  April 2010
<b>Global Education Foundation, Inc.</b>	June 14, 2010	<ul style="list-style-type: none"> <li>▪ Failure to comply with Classroom Site Fund requirements found in A.R.S. §15-977,</li> <li>▪ Failure to retain student attendance records as required by</li> </ul>	<ul style="list-style-type: none"> <li>▪ For Classroom Site Fund, either through the fiscal year 2010 audit or through Agreed-Upon Procedures established by Board staff.</li> <li>▪ For attendance records, through the fiscal year 2010 audit. If Global Education Foundation's fiscal year</li> </ul>		January 2011

## Withholding

School Name	Date of Board Action	Violation	Notes	Status of Corrective Action Plan	Date issue, if unresolved, will come back before the Board
		<p>A.R.S. §39-121.01 and in accordance with the General Retention Schedule for School Districts and Charter Schools published by the Arizona State Library, Archives and Public Records, and</p> <ul style="list-style-type: none"> <li>▪ Failure to comply with federal and state payroll tax requirements as required by 26 U.S.C. §3402 and A.R.S. §§43-401 and 43-1111.</li> </ul>	<p>2010 audit does not demonstrate compliance, the charter holder will be brought back to the Board for consideration of other ways through which the charter holder could demonstrate compliance in order to have the 10% returned.</p> <ul style="list-style-type: none"> <li>▪ For federal and state payroll taxes, through the satisfactory completion of the corrective action plan requested in the Board's March 22, 2010 audit letter.</li> </ul>		
<b>Scottsdale Horizons Charter School</b>	511/10	<p>Noncompliance with state law for failing to report student attendance data in accordance with A.R.S. §§ 15-185(B)(2), 15-901 and 15-902</p>	<p>Corrective action plan for the charter holder includes:</p> <ul style="list-style-type: none"> <li>• Demonstration that the charter holder has corrected the student attendance data for fiscal year 2010 reported to ADE and used for funding purposes. This would include providing all information to and completing all steps required by ADE. Board staff will review the revised student attendance data for the charter holder after the data have been aggregated by ADE to ensure the data accurately reflect, within 2%, the information found on the teacher-marked attendance rosters.</li> <li>• Detailed policies and procedures related to student attendance recording and reporting that address the charter holder's overall</li> </ul>		<p>After school's 40<sup>th</sup> day of FY2011</p>

### Withholding

School Name	Date of Board Action	Violation	Notes	Status of Corrective Action Plan	Date issue, if unresolved, will come back before the Board
			<p>processes as well as specific steps included to ensure the issues identified by the Board during its site visits to the school do not recur.</p> <ul style="list-style-type: none"> <li>•Evidence that the policies and procedures have been adopted by the charter holder's corporate or governing body, as appropriate (e.g., meeting minutes).</li> <li>•Implementation of the policies and procedures developed and adopted by the charter holder that result in the submission of accurate data through the first 40 days of FY 2011.</li> </ul>		
<b>Vechij Himdag Alternative School, Inc.</b>	June 14, 2010	<ul style="list-style-type: none"> <li>▪ Failure to comply with Classroom Site Fund requirements found in A.R.S. §15-977</li> </ul>	<ul style="list-style-type: none"> <li>▪ Compliance with Classroom Site Fund requirements either through the fiscal year 2010 audit or through Agreed-Upon Procedures established by Board staff.</li> </ul>		January 2011

### Schools Under a Notice of Intent to Revoke

School Name	Date of Board Action	Alleged Violation	Date of Revocation Hearing/Orders	Status
<b>Back-to-Basics</b>	5/11/10	Failing to report student attendance data in accordance with A.R.S. §§ 15-185(B)(2), 15-901 and 15-902	<p>Hearing is set for October 26 and 27, 2010.</p> <p>Pre-Hearing Conference set for August 13, 2010.</p>	<p>Hearing date request submitted to OAH 6/1/10</p> <p>Notice of Hearing and NOIR to be mailed 6/7/10.</p>

## Other Legal Matters

School Name	Date of Board Action	Status
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### Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
<b>Legacy Schools</b>	5/10/10	<p>By July 1, 2010, the Charter Operator shall develop and submit to the Board a Performance Management Plan (“PMP”) for reading and mathematics using the templates provided by the Board. The PMP is a strategic plan addressing the School’s academic performance deficiencies and shall cover the period of July 1, 2010 through June 30, 2012. The Board shall identify the Measure, Metric, Target and Strategies for the PMP. The Charter Operator shall identify the Action Steps, Timeline, Responsible Party, Evidence of Meeting Action Steps, and Budget of the PMP. The Timeline(s) identified by the Charter Operator in the PMP must correspond with the Quarterly Report submission dates identified in paragraph 21. The PMPs to be submitted to the Board by July 1, 2010 shall be incorporated into this Agreement as Attachment A and B.</p> <p>Throughout the duration of the PMP (July 1, 2010 through June 30, 2012) and within 10 days of the end of every calendar quarter (October 1, January 1, April 1, June 1), the Charter Operator shall complete and submit a Quarterly Report to the Board. Each Quarterly Report shall:</p> <ul style="list-style-type: none"> <li>▪ Detail the Charter Operator’s progress on the implementation of the Action Steps identified in the PMP within the Timeline(s) identified;</li> <li>▪ Provide evidence that the School is progressing toward the prescribed Targets, which includes a data comparison in chart and graph format depicting the School’s academic student performance; and</li> <li>▪ Provide documentation of the School’s budget expenditures for the Action Steps implemented for the quarter.</li> </ul> <p>Throughout the duration of the PMP (July 1, 2010 through June 30, 2012) and within 10 days of the end of the quarter (October 1, January 1, April 1, June 1), the Charter Operator shall provide a current list of the School’s instructional staff that identifies each staff’s content area assignments and highly qualified status that evidences that the School’s teachers of core</p>	<p>On June 28, 2010 staff received the completed Performance Management Plan (PMP) from Legacy Elementary School. Staff will review the PMP for content.</p>

### Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
		<p>academic subjects (English, reading or language arts, mathematics, science, foreign languages, civics and government, economics, arts, history, and geography) are “highly qualified” under the No Child Left Behind Act of 2001 (20 U.S.C. § 6301 et seq.).</p> <p>By June 30, 2012 and for every year thereafter for the duration of the charter, the School’s reading and math AIMS scores shall meet or exceed the State average percent proficient in reading and math on the state assessment.</p> <p>By June 30, 2012 and for every year thereafter for the duration of the charter, the School must have a student growth percentile of no less than minus one standard deviation from the State median growth percentile in reading and math.</p>	

### Status of Board Requested Reports/Site Visits

School Name	Date of Board Action	Board Request of School/Staff	Status of compliance with request
<b>Phoenix Advantage Charter School, Inc.</b>	5/12/08	<p>Board instructed staff for a period not to exceed three years, to monitor the school’s compliance with Classroom Site Fund requirements periodically as established between the staff and the school until such time as compliance is demonstrated through the review of a fiscal year audit that demonstrates compliance. The Board specified that the compliance would not be determined through the fiscal year 2008 audit.</p> <p>In a letter dated May 16, 2008, staff requested that the school provide by June 2, 2008: a specific timeline for eliminating the school’s CSF carryover from prior years and distributing the “new” CSF allocations received annually going forward; a brief description of how the school plans to use the CSF monies coded to Project 1013; and a schedule indicating when the school distributes the CSF monies to the teachers.</p> <p>In a letter dated June 13, 2008, the school was notified of the dates established for submitting the monitoring review reports to the Board:</p>	<p>On May 29, 2008, staff received response from school. School requested that compliance reviews be conducted on the status of CSF as of December 31<sup>st</sup> and June 30<sup>th</sup> of each year.</p> <p>PACS’ financial office is located at Ahwatukee Foothills Prep (AFP). AFP’s roof collapsed in July and flooded the school, which resulted in PACS not having normal access to its records or office functions. PACS was granted an extension until August 15<sup>th</sup> to provide the July 22<sup>nd</sup> report.</p> <p>On July 29<sup>th</sup>, PACS provided the first report. No issues were identified. At this time, PACS “fully expects” the fiscal year 2008 audit to reflect the school’s compliance with all Classroom Site Fund requirements.</p>

		<u>Period Covered by Report</u>	<u>Report Due Date</u>	
		07/01/07-06/30/08	07/22/08	<p>On January 21<sup>st</sup>, PACS provided the second report. No issues were identified.</p> <p>PACS' fiscal year 2008 audit did not identify any noncompliance with Classroom Site Fund requirements.</p> <p>On July 30, 2009, PACS provided the third report. No issues were identified.</p> <p>On January 20, 2010, PACS provided the fourth report. No issues were identified.</p>
		07/01/08-12/31/08	01/22/09	
		07/01/08-06/30/09	07/22/09	
		07/01/09-12/31/09	01/22/10	
		07/01/09-06/30/10	07/22/10	

### Failing Schools

School Name	Date of Board Action	Violation	Hearing Information	Status
<b>Gila Educational Group</b>	03/08/10	Failing School	Hearing is scheduled for 05/25/10.	Hearing not concluded. Next hearing date July 16, 2010

### Civil Penalties

School Name	Date of Board Action	Violation	Amount of Withholding	Date Appeal Timeframe Expires	Status of Corrective Action Plan