

# Operational Performance Framework

## Indicator 1: Implementation of the education program as defined in the current charter contract and state and federal law

<b>1.a. Does the delivery of the education program and operation reflect the essential terms of the educational program as described in the charter contract?</b>
<b>Meets Standard:</b> The charter holder's education program, in operation, reflects the essential terms as described in the charter contract.
<b>Does Not Meet Standard:</b> The charter holder has failed to implement the program in the manner described above; the failure(s) were material, <i>and</i> the charter holder has demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance to the satisfaction of the Board.
<b>Falls Far Below Standard:</b> The charter holder has failed to implement the program in the manner described above, the failure(s) were material, <i>and</i> the charter holder has not demonstrated remedies that have resulted in prompt and sufficient movement toward compliance to the satisfaction of the Board; <i>or</i> the charter holder has failed to implement the program in the manner described above and regardless of whether or not the charter holder demonstrated remedies that have resulted in prompt and sufficient movement toward compliance, the failure(s) were material and significant to the operation of the school(s).

<b>1.b. Does the charter holder adhere with applicable education requirements defined in state and federal law?</b>
<b>Meets Standard:</b> The charter holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to education requirements, including but not limited to: <ul style="list-style-type: none"><li>• Providing services pursuant to IDEA, Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act relating to the treatment of students with identified disabilities and those suspected of having a disability</li><li>• Meeting the required provision of instructional days or hours</li><li>• Administering State assessments appropriately</li><li>• Implementing mandated programming as a result of state or federal funding</li></ul>
<b>Does Not Meet Standard:</b> The charter holder has failed to comply in the manner described above; the failure(s) were material, <i>and</i> the charter holder has demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance to the satisfaction of the Board.
<b>Falls Far Below Standard:</b> The charter holder has failed to comply in the manner described above, the failure(s) were material, <i>and</i> the charter holder has not demonstrated remedies that have resulted in prompt and sufficient movement toward compliance to the satisfaction of the Board; <i>or</i> the charter holder has failed to comply in the manner described above and regardless of whether or not the charter holder demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance, the failure(s) were material and significant to the operation of the school(s).

## Indicator 2: Financial and operational reporting and compliance

2.a. Do the charter holder's annual audit reporting packages reflect sound operations?
<p><b>Meets Standard:</b></p> <p>The charter holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to the annual audit reporting package and the Board's <i>Financial Performance Framework and Guidance</i>, including but not limited to:</p> <ul style="list-style-type: none"><li>• Timely submission of a complete annual audit reporting package</li><li>• Financial performance that meets the Board's expectations</li><li>• An unqualified audit opinion</li><li>• An audit where first-time medium impact findings resulting in a corrective action plan (CAP) requirement have been completed</li><li>• An audit devoid of second-time or repeat medium impact findings resulting in a CAP</li><li>• An audit devoid of serious impact findings</li><li>• An audit devoid of minimal impact findings that have been identified in three or more consecutive annual audit reporting packages</li></ul>
<p><b>Does Not Meet Standard:</b></p> <p>The charter holder has failed to comply in the manner described above; the failure(s) were material, <i>and</i> the charter holder has demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance to the satisfaction of the Board.</p>
<p><b>Falls Far Below Standard:</b></p> <p>The charter holder has failed to comply in the manner described above, the failure(s) were material, <i>and</i> the charter holder has not demonstrated remedies that have resulted in prompt and sufficient movement toward compliance to the satisfaction of the Board; <i>or</i> the charter holder has failed to comply in the manner described above and regardless of whether or not the charter holder demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance, the failure(s) were material and significant to the operation of the school(s).</p>

2.b. Is the charter holder administering student admission and attendance appropriately?
<p><b>Meets Standard:</b></p> <p>The charter holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to operational requirements, including but not limited to:</p> <ul style="list-style-type: none"><li>• Accurate submission of estimated counts and attendance data to the Arizona Department of Education</li><li>• Tuition and fees</li><li>• Public school tax credits</li><li>• Attendance records</li><li>• Enrollment policies, procedures and processes</li></ul>
<p><b>Does Not Meet Standard:</b></p> <p>The charter holder has failed to comply in the manner described above; the failure(s) were material, <i>and</i> the charter holder has demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance to the satisfaction of the Board.</p>
<p><b>Falls Far Below Standard:</b></p> <p>The charter holder has failed to comply in the manner described above, the failure(s) were material, <i>and</i> the charter holder has not demonstrated remedies that have resulted in prompt and sufficient movement toward compliance to the satisfaction of the Board; <i>or</i> the charter holder has failed to comply in the manner described above and regardless of whether or not the charter holder demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance, the failure(s) were material and significant to the operation of the school(s).</p>

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**2.c. Is the charter holder maintaining a safe environment consistent with state and local requirements?**

**Meets Standard:**  
The charter holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to operational requirements, including but not limited to:

- Maintaining appropriate facility documents, including a certificate of occupancy, fire marshal inspection report, county or municipal health inspection report, liability and property loss insurance coverage, and/or other applicable documents
- Ensuring all employees, personnel, vendors and other individuals have been properly fingerprinted and background checked

**Does Not Meet Standard:**  
The charter holder has failed to comply in the manner described above; the failure(s) were material, *and* the charter holder has demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance to the satisfaction of the Board.

**Falls Far Below Standard:**  
The charter holder has failed to comply in the manner described above, the failure(s) were material, *and* the charter holder has not demonstrated remedies that have resulted in prompt and sufficient movement toward compliance to the satisfaction of the Board; *or* the charter holder has failed to comply in the manner described above and regardless of whether or not the charter holder demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance, the failure(s) were material and significant to the operation of the school(s).

**2.d. Is the charter holder transparent in its operations?**

**Meets Standard:**  
The charter holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to operational requirements, including but not limited to:

- Academic performance notifications
- Availability of teacher resumes
- Open Meeting Law
- Alignment of officers, directors, members and partners of the charter holder on record as part of the charter contract with Arizona Corporation Commission submissions

**Does Not Meet Standard:**  
The charter holder has failed to comply in the manner described above; the failure(s) were material, *and* the charter holder has demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance to the satisfaction of the Board.

**Falls Far Below Standard:**  
The charter holder has failed to comply in the manner described above, the failure(s) were material, *and* the charter holder has not demonstrated remedies that have resulted in prompt and sufficient movement toward compliance to the satisfaction of the Board; *or* the charter holder has failed to comply in the manner described above and regardless of whether or not the charter holder demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance, the failure(s) were material and significant to the operation of the school(s).

## 2.e. Is the charter holder complying with its obligations to the Board?

### **Meets Standard:**

The charter holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to operational requirements, including but not limited to:

- Timely submissions of required documents, notification requests and amendment requests
- Limited substantiated complaints
- Favorable actions taken by the Board

### **Does Not Meet Standard:**

The charter holder has failed to comply in the manner described above; the failure(s) were material, *and* the charter holder has demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance to the satisfaction of the Board.

### **Falls Far Below Standard:**

The charter holder has failed to comply in the manner described above, the failure(s) were material, *and* the charter holder has not demonstrated remedies that have resulted in prompt and sufficient movement toward compliance to the satisfaction of the Board; *or* the charter holder has failed to comply in the manner described above and regardless of whether or not the charter holder demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance, the failure(s) were material and significant to the operation of the school(s).

## 2.f. Is the charter holder complying with reporting requirements of other entities to which the charter holder is accountable?

### **Meets Standard:**

The charter holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to operational requirements monitored by other entities to which the charter holder is accountable, including but not limited to:

- Arizona Corporation Commission
- Arizona Department of Economic Security
- Arizona Department of Education
- Arizona Department of Revenue
- Arizona State Retirement System
- Equal Employment Opportunity Commission
- Industrial Commission of Arizona
- Internal Revenue Service
- U.S. Department of Education

### **Does Not Meet Standard:**

The charter holder has failed to comply in the manner described above; the failure(s) were material, *and* the charter holder has demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance to the satisfaction of the Board.

### **Falls Far Below Standard:**

The charter holder has failed to comply in the manner described above, the failure(s) were material, *and* the charter holder has not demonstrated remedies that have resulted in prompt and sufficient movement toward compliance to the satisfaction of the Board; *or* the charter holder has failed to comply in the manner described above and regardless of whether or not the charter holder demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance, the failure(s) were material and significant to the operation of the school(s).

### Indicator 3: Additional Obligations

<b>3. Is the charter holder complying with all other obligations?</b>
<p><b>Meets Standard:</b></p> <p>The charter holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to operational requirements, including but not limited to:</p> <ul style="list-style-type: none"><li>• Judgments or court orders issued by a court of competent jurisdiction</li><li>• All other obligations to which the charter holder is subject to that have not been addressed by the framework's other measures</li></ul>
<p><b>Does Not Meet Standard:</b></p> <p>The charter holder has failed to comply in the manner described above; the failure(s) were material, <i>and</i> the charter holder has demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance to the satisfaction of the Board.</p>
<p><b>Falls Far Below Standard:</b></p> <p>The charter holder has failed to comply in the manner described above, the failure(s) were material, <i>and</i> the charter holder has not demonstrated remedies that have resulted in prompt and sufficient movement toward compliance to the satisfaction of the Board; <i>or</i> the charter holder has failed to comply in the manner described above and regardless of whether or not the charter holder demonstrated remedies that have resulted in compliance or prompt and sufficient movement toward compliance, the failure(s) were material and significant to the operation of the school(s).</p>

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## Evaluation and Intervention

### Board's Operational Performance Expectations

Proposed definitions for Board's operational performance expectations:

- Meets the Board's Operational Performance Expectations – The charter holder receives zero "Falls Far Below Standard" ratings and no more than five "Does Not Meet Standard" ratings for the review period.
- Does Not Meet the Board's Operational Performance Expectations – The charter holder receives one or more "Falls Far Below Standard" ratings and/or more than five "Does Not Meet Standard" ratings for the review period.

### Use of the Operational Performance Framework

A charter holder's operational performance will be considered by the Board as follows:

- Renewal
- Five-year interval reviews
- Academic Intervention Schedule
- Adding Grade Levels to Charter Amendment Requests
- Arizona Online Instruction Program of Instruction Amendment Requests
- Charter Holder Status Amendment Requests
- Enrollment Cap Notification Requests
- Failing School designations
- New School Site Notification Requests
- Program of Instruction Amendment Requests
- Replication
- New charter applications submitted by officers, directors, partners or members, or charter representatives of existing charter holders
- Transfer applications involving the transfer of a school site from an existing charter contract to its own charter contract
- Transfer applications involving the transfer of the charter contract from another sponsor to the Board

For renewal and five-year interval reviews, the "review period" mentioned in the "Board's Operational Performance Expectations" section would be the past five fiscal years, which aligns with current Board processes.

For the other bullets identified above, the "review period" would be the most recent information available, which aligns with current Board processes. Please note compliance checks will continue to be conducted as part of the amendment and notification request approval and expansion processes. Each amendment and notification form currently states the specific items that will be reviewed and the level of compliance required.

Because operational performance can affect a charter holder's ability to meet the obligations of its charter contract or provisions of law, a charter holder's operational performance may also be reviewed at other times when the Board makes decisions related to a charter holder's academic and/or financial performance.

### Submission Requirements

Unlike with the Board's academic and financial frameworks, charter holders that fail to meet the Board's operational performance expectations will not be required to submit additional documentation to the Board. As proposed, the Board's operational framework translates compliance-related information obtained by the Board through various processes and from various sources into a more concise presentation, but does not change the Board's processes or the processes followed by other entities for responding to the issues referenced in the framework as they occur. As such, the charter holder will have already been provided the opportunity to respond to the issues and the charter holder's demonstration of compliance or prompt and sufficient movement toward compliance to the satisfaction of the Board will be considered in determining whether the charter holder's performance currently "Does Not Meet" the standard or "Falls Far Below" the standard.

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