**PACE Preparatory Academy - Entity ID 79068**

School: PACE Preparatory Academy

# Renewal Executive Summary

## Performance Summary

During the five-year interval review of the charter, PACE Preparatory Academy was required to submit a Performance Management Plan (PMP) as an intervention because schools operated by the charter holder did not meet the academic expectations set forth by the Board. At the time PACE Preparatory Academy became eligible to apply for renewal, the charter holder again did not meet the academic performance expectations of the Board as set forth in the Performance Framework and was required to submit a Demonstration of Sufficient Progress (DSP) as part of the renewal application package. The charter holder was unable to demonstrate the schools are making sufficient progress toward the Board's expectations through the submission of the required information or evidence reviewed during or following an on-site visit. In the most recent fiscal year for which there is State assessment data available, PACE Preparatory Academy (Entity ID 80437) and PACE Preparatory Academy (Entity ID 79108) received overall ratings of "Does Not Meet" the Board's academic standards.

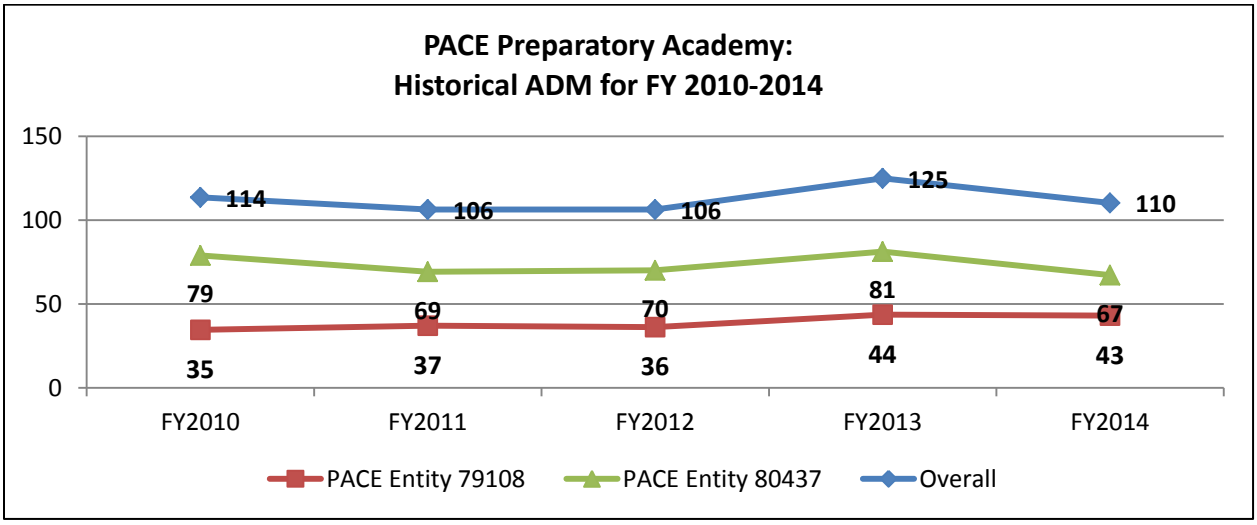
The charter holder did not meet the financial performance expectations of the Board as set forth in the Performance Framework and was required to submit a financial performance response. Staff's evaluation of the response resulted in zero "Acceptable" and three "Not Acceptable" determinations.

The charter holder's organizational membership on file with the Board was not consistent with the information on file with the Arizona Corporation Commission and the charter holder was required to submit the Organizational Membership portion of the Detailed Business Plan Section of the renewal application. The renewal application package submitted by the charter holder provides evidence of organizational membership alignment as required in the renewal application.

The charter holder did have compliance matters, which were resolved.

## Profile

PACE Preparatory Academy operates two schools serving grades 9-12 in Prescott Valley and Camp Verde. The graph below shows the charter holder's actual 100th day average daily membership (ADM) for fiscal years 2010-2014.



A dashboard representation of PACE Preparatory Academy's (Entity ID 80437) academic outcomes, based upon the indicators and measures adopted by the Board, is provided below.

PACE Preparatory Academy

Edit this section.

PACE Preparatory Academy (80437)

| | | 2012 Small High School (9-12) | | | 2013 Traditional High School (9 to 12) | | |
|---|---|---|---|---|---|---|---|
| **1. Growth** | | Measure | Points Assigned | Weight | Measure | Points Assigned | Weight |
| 1a. SGP | Math | NR | 0 | 0 | NR | 0 | 0 |
| | Reading | NR | 0 | 0 | NR | 0 | 0 |
| 1b. SGP Bottom 25% | Math | NR | 0 | 0 | NR | 0 | 0 |
| | Reading | NR | 0 | 0 | NR | 0 | 0 |
| **2. Proficiency** | | Measure | Points Assigned | Weight | Measure | Points Assigned | Weight |
| 2a. Percent Passing | Math | 35 / 30.5 | 75 | 10 | 18.2 / 49.3 | 25 | 10 |
| | Reading | 70 / 57.5 | 75 | 10 | 87.5 / 76.8 | 75 | 10 |
| 2b. Composite School Comparison | Math | 5.5 | 75 | 7.5 | -23.3 | 25 | 7.5 |
| | Reading | 11.5 | 75 | 7.5 | 18.4 | 100 | 7.5 |
| 2c. Subgroup ELL | Math | NR | 0 | 0 | NR | 0 | 0 |
| | Reading | NR | 0 | 0 | NR | 0 | 0 |
| 2c. Subgroup FRL | Math | 32 / 30.7 | 75 | 7.5 | 17.6 / 43.3 | 25 | 7.5 |
| | Reading | 66 / 57.1 | 75 | 7.5 | 92.3 / 70.1 | 75 | 7.5 |
| 2c. Subgroup SPED | Math | NR | 0 | 0 | NR | 0 | 0 |
| | Reading | NR | 0 | 0 | NR | 0 | 0 |
| **3. State Accountability** | | Measure | Points Assigned | Weight | Measure | Points Assigned | Weight |
| 3a. State Accountability | | C | 50 | 5 | D | 25 | 5 |
| **4. Graduation** | | Measure | Points Assigned | Weight | Measure | Points Assigned | Weight |
| 4a. Graduation | | 56 | 25 | 15 | 56 | 25 | 15 |
| **Overall Rating** | | Overall Rating | | | Overall Rating | | |
| Scoring for Overall Rating<br>89 or higher: Exceeds Standard<br><89, but > or = to 63: Meets Standard<br><63, but > or = to 39: Does Not Meet Standard<br>Less than 39: Falls Far Below Standard | | 62.5 | | 70 | 45.54 | | 70 |

A dashboard representation of PACE Preparatory Academy's (Entity ID 79108) academic outcomes, based upon the indicators and measures adopted by the Board, is provided below.

PACE Preparatory Academy (79108)

| | | 2012 Small High School (9-12) | | | 2013 Small High School (9 to 12) | | |
|---|---|---|---|---|---|---|---|
| **1. Growth** | | Measure | Points Assigned | Weight | Measure | Points Assigned | Weight |
| 1a. SGP | Math | NR | 0 | 0 | NR | 0 | 0 |
| | Reading | NR | 0 | 0 | NR | 0 | 0 |
| 1b. SGP Bottom 25% | Math | NR | 0 | 0 | NR | 0 | 0 |
| | Reading | NR | 0 | 0 | NR | 0 | 0 |
| **2. Proficiency** | | Measure | Points Assigned | Weight | Measure | Points Assigned | Weight |
| 2a. Percent Passing | Math | 16 / 30.6 | 50 | 10 | 39.4 / 28 | 75 | 10 |
| | Reading | 44 / 57.8 | 50 | 10 | 65 / 61.4 | 75 | 10 |
| 2b. Composite School Comparison | Math | -13.2 | 50 | 7.5 | 12.1 | 75 | 7.5 |
| | Reading | -9.4 | 50 | 7.5 | 4.6 | 75 | 7.5 |
| 2c. Subgroup ELL | Math | NR | 0 | 0 | NR | 0 | 0 |
| | Reading | NR | 0 | 0 | NR | 0 | 0 |
| 2c. Subgroup FRL | Math | 9 / 30.5 | 50 | 7.5 | 36 / 27.6 | 75 | 7.5 |
| | Reading | 54 / 57.7 | 50 | 7.5 | 75 / 62.5 | 75 | 7.5 |
| 2c. Subgroup SPED | Math | NR | 0 | 0 | NR | 0 | 0 |
| | Reading | NR | 0 | 0 | NR | 0 | 0 |
| **3. State Accountability** | | Measure | Points Assigned | Weight | Measure | Points Assigned | Weight |
| 3a. State Accountability | | D | 25 | 5 | C | 50 | 5 |
| **4. Graduation** | | Measure | Points Assigned | Weight | Measure | Points Assigned | Weight |
| 4a. Graduation | | 25 | 25 | 15 | 24 | 25 | 15 |
| **Overall Rating** | | Overall Rating | | | Overall Rating | | |
| Scoring for Overall Rating<br>89 or higher: Exceeds Standard<br><89, but > or = to 63: Meets Standard<br><63, but > or = to 39: Does Not Meet Standard<br>Less than 39: Falls Far Below Standard | | 42.86 | | 70 | 62.5 | | 70 |

## I. Success of the Academic Program

The FY2013 overall rating for PACE Preparatory Academy (Entity ID 80437) on the Board's academic performance measures was 45.54 including points received for the FY2013 letter grade of D as reported by the Arizona Department of Education. The FY2012 overall rating for the school on the Board's academic performance measures was 62.5 including points received for the FY2013 letter grade of C as reported by the Arizona Department of Education.

The FY2013 overall rating for PACE Preparatory Academy (Entity ID 79108) on the Board's academic performance measures was 62.5 including points received for the FY2013 letter grade of C as reported by the Arizona Department of Education. The FY2012 overall rating for the school on the Board's academic performance measures was 42.86 including points received for the FY2013 letter grade of D as reported by the Arizona Department of Education.

The following is a timeline of activities that have occurred related to the academic performance of Pace Preparatory Academy:

**July, 2011:** PACE Preparatory Academy was notified that the charter holder was required to submit a PMP on or before September 1, 2011 for the five-year interval review because schools operated by the charter holder did not meet the academic expectations set forth by the Board.

**August, 2011:** PACE Preparatory Academy timely submitted a PMP (portfolio: i. Performance Management Plan).

**February, 2013:** The Board released FY2012 Academic Dashboards; PACE Preparatory Academy (80437) received an overall rating of "Does Not Meet" the Board's academic standards and PACE Preparatory Academy (79108) received an overall rating of "Does Not Meet" the Board's academic standards. As a result, the charter holder did not meet the Board's academic performance expectations. PACE Preparatory Academy was assigned DSPs for both schools as part of an annual reporting requirement (portfolio: h. FY12 DSP Submissions).

**August, 2013:** Following a preliminary evaluation of the FY2012 DSPs, Board staff conducted a site visit on August 8, 2013 to meet with the schools' leadership. The charter holder was able to submit additional evidence for 48 hours after the site visit (portfolio: g. FY12 DSPs Site Visit Evidence List).

**September, 2013:** The Board released FY2013 Academic Dashboards; PACE Preparatory Academy (80437) received an overall rating of "Does Not Meet" the Board's academic standards and PACE Preparatory Academy (79108) received an overall rating of "Does Not Meet" the Board's academic standards. As a result, the charter holder did not meet the Board's academic performance expectations. The charter holder was not assigned DSPs as part of an annual reporting requirement because final evaluations of the FY2012 DSPs had not yet been completed and the charter holder would become eligible for renewal within the fiscal year.

**September, 2013:** Board staff completed final evaluations (portfolio: f. FY2012 DSP Evaluations) of the charter holder's FY2012 DSPs and made the evaluations available to the charter holder. In those final evaluations of the FY2012 DSPs, Board staff determined that the charter holder's DSPs were acceptable in all areas. The findings contained in the final evaluation of the FY2012 DSPs were grounded in a limited evaluation of the schools' evidence as compared to the evaluation used in completing final evaluation of the Renewal DSPs submitted as part of the renewal application package.

**December, 2013:** Board staff provided the charter holder, through its authorized representative, Mr. William Sakelarios, with Renewal Notification Information, which included notification of the renewal process, the date on which the charter holder would become eligible to apply for renewal (December 30, 2013) the deadline date on which the renewal application package would be due to the Board (March 30, 2014), information on the

availability of the charter holder's renewal application as well as instruction on how to access the renewal application, and notification of the requirement to submit Renewal DSPs as components of its renewal application package because the two schools operated by the charter holder charter holder received overall ratings of "Does Not Meet" the Board's academic standards and the charter holder did not meet the academic performance expectations set forth by the Board.

**March, 2014:** A renewal application package with Renewal DSPs for the two PACE Preparatory Academy schools was timely submitted by the charter representative (portfolio: e. Renewal DSP Submissions).

**Renewal Application Package FY2013 DSP**

Following a preliminary evaluation of the DSPs, staff conducted a site visit on April 2, 2014 to meet with the schools' leadership, as selected by the charter holder, to confirm evidence of the processes described in the DSPs and review additional evidence to be considered in the final evaluations (presented in the charter holder's renewal portfolio: c. Renewal DSPs Evaluations and d. Renewal DSPs Site Visit Inventory) of the charter holder's DSP submissions. The following representatives of PACE Preparatory Academy were present at the site visit:

| Name | Role |
|---|---|
| Mary Augustinovich | Assistant Principal |
| Bill Sakelarios | Director |
| Richard Hay | Consultant, Data Review Team |

The DSPs submitted by PACE Preparatory Academy for the two PACE Preparatory Academy schools were required to address the areas (curriculum, monitoring instruction, assessment, professional development, graduation rate) for the measures for which the charter holder was required to provide a response. The charter holder was provided a copy of the initial evaluations prior to the site visit and informed that areas initially evaluated as not acceptable could be addressed with additional evidence at the time of the visit. The charter holder also had 48 hours following the site visit to submit relevant evidence.

After considering information in the DSPs, evidence provided at the time of the site visit, and additional evidence submitted following the site visit, the charter holder has not provided evidence of a sustained improvement plan including the implementation of a curriculum that contributes to increased student growth and proficiency, implementation of a plan for monitoring the integration of the Arizona's College and Career Ready (ACCR) Standards into instruction, implementation of a plan for monitoring and documenting increases in student growth and proficiency, implementation of a professional development plan that contributed to increased student growth and proficiency, or increasing the percent of entering ninth graders who graduate from high school in four years.

The charter holder did not provide data and analysis that demonstrates improved academic performance based on data generated from valid and reliable assessment sources. Limited disaggregated data was presented to reflect the academic performance for students in the students with disabilities subgroup. The submission did not provide data and analysis that demonstrates improved academic performance based on data generated from valid and reliable assessment sources.

The charter holder stated that the schools currently serves no English language learner (ELL) students.

Based on the findings summarized above and described below, staff determined that the charter holder did not demonstrate sufficient progress toward meeting the Board's academic performance expectations.

A description of the findings for each required area as evaluated is provided below:

**Curriculum:**

In the area of curriculum, PACE Preparatory Academy's DSPs were evaluated as "Approaches." The charter holder did not provide evidence of a sustained improvement plan that includes implementation of a curriculum that contributes to increased student growth and proficiency. Rather, the charter holder provided evidence of a fragmented approach that the schools use to create, implement, evaluate, and revise school curriculum, aligned with ACCR Standards. The approach lacks cohesiveness or alignment with other school improvement efforts. The charter holder's DSPs in the area of curriculum are not acceptable.

- The charter holder must provide evidence of implementation of a systematic process the school uses to create/adopt curriculum. Sufficient evidence will demonstrate how and when the school evaluates curriculum options, what findings the school makes about curriculum options, and who is involved in the curriculum adoption process.
    - The charter holder provided "Board Meeting" documents. The June 15, 2011 minutes identify Board action that directed school staff to "look into a curriculum package that would most benefit the school and students and would be in full compliance with the standards set forth by ADE." The April 27, 2012 minutes identify Board action that authorized staff to pursue purchasing the A+ curriculum because it aligns to the ACCR Standards. This document demonstrates the adoption of new curriculum, but does not provide evidence of a systematic process the schools use to create/adopt curriculum and does not demonstrate how and when the schools evaluate curriculum options.
- The charter holder must provide evidence that the school has a system in place for implementing the curriculum consistently across the school. Sufficient evidence will demonstrate the school utilizes tools that identify what must be taught, the expected pacing, strategies, methods, and activities, and communicated expectations for the consistent use of these tools.
    - The charter holder provided "Staff Meeting Minutes" documents. The meeting agenda for August 31, 2012 indicates that all instructional staff were directed to use A+ as the primary curriculum, staff were required to complete training in the use of A+, and that staff should utilize A+ to identify students who need remediation and create plans and goals for the students. These documents demonstrate a process the schools use for implementation of curriculum.
    - The charter holder provided "Hours Tracked" documents. These documents identify the schools' processes for tracking progress lessons based on hourly work, ensuring implementation of curriculum and monitoring student pacing of lesson completion. These documents demonstrate a process the schools use for implementation of curriculum.
    - The charter holder provided "Student Progress Report," "PACE Academy current activity report," and "Course Tracking Report" documents. These documents identify the student's progress by color code, the number of lessons completed during the day, reassigned lessons, time spent on each of the lesson components, number of lessons needed to complete the course, number of lessons passed, and a form used to identify for a student the number of lessons they have completed in a course. These documents demonstrate a system for implementing the curriculum consistently across the schools.

- The charter holder provided "Zero Tolerance Contract Student Action Plan and Goal Sheet" documents. These documents contain a contract used for students who are not completing sufficient number of lessons or making appropriate progress in a course, and documents that set an established pace for the student to complete lessons on a daily basis. These documents demonstrate a system for implementing the curriculum consistently across the schools.
- The charter holder provided "PACE Preparatory Academy High School Graduation Requirements" documents. These documents identify credits and AIMS results required for graduation and are used to assign students to appropriate courses. These documents demonstrate a system for implementing the curriculum consistently across the schools.

- The charter holder must provide evidence of implementation of a systematic process for evaluating and revising curriculum. Sufficient evidence will demonstrate how the school evaluates how effectively the curriculum enables students to master the standards, identifies gaps in the curriculum, and demonstrates how the school is addressing curricular gaps.
  - The charter holder provided "AIMS Diagnostic FFB/A" and "AIMS Math Prep enrollment log" documents. These documents include a list of students that did not pass AIMS Math and the courses those students were enrolled in to identify curricular weaknesses; and demonstrate the implementation of a course to meet an identified curricular need. The work conducted to implement this course was completed on an ad hoc basis by the assistant principal, but was not part of a regular revision process. The document demonstrates the beginning stages of a process for evaluating and revising curriculum.
  - The charter holder provided "Staff Meeting Minutes" documents. The meeting agenda for December 12, 2013 indicates that the teachers and administrators discussed Fall AIMS results and were to discuss an action plan. The notes do not indicate what plan was made if any, or if there was any further discussion of the data that would constitute data analysis. These documents indicate that the schools are at the beginning stages of analyzing and utilizing student assessment data to evaluate and revise curriculum and doing so in an ad hoc manner. The August 5, 2013 notes indicate that a discussion occurred and reflected that an alignment and cross-walk had been completed for new math courses. The document does not demonstrate a system for evaluating and revising curriculum but provides evidence that this is being done on an ad hoc basis and the schools may be in the beginning stages of creating and implementing a system to engage in curriculum evaluation and revision.

- The charter holder must demonstrate implementation of a curriculum aligned to the ACCR Standards.
  - The charter holder provided "Curriculum Snapshot of Alignment" documents. This document identifies ELA and Math curriculum snapshots that include courses, identifies the ACCR Standards addressed by each course, and lesson activities that address each standard. This document demonstrates implementation of a curriculum aligned to the ACCR Standards.

- The charter holder must demonstrate implementation of a curriculum adapted to meet the needs of subgroup populations. Sufficient evidence will demonstrate there is curriculum intended to provide differentiated materials, activities, and/or strategies for struggling students within the subgroups.
  - The charter holder provided "Boys to Men Adapting to the bottom 25%" documents. The documents identify the schools havea mentoring program for boys who fall in the bottom 25%. The documents demonstrate a social development and mentoring program for boys in the

bottom 25%, but do not demonstrate implementation of a curriculum adapted to meet the needs of subgroup populations.

- The charter holder provided "Modified lessons for SPED students and students in the bottom 25%" documents. These documents include lesson materials that demonstrate that the schools are modifying lessons based on needs and identification of students in subgroups. These documents demonstrate implementation of a curriculum adapted to meet the needs of subgroup populations.
- The charter holder provided "Student Progress reports" documents. These documents include information about mastery attempts that identifies that lessons are reassigned for students in the bottom 25%, demonstrates that the curriculum program also identifies for teachers when a lesson needs to be reassigned or accepted in order to flag when interventions are needed for students in the bottom 25%. These documents demonstrate implementation of a curriculum adapted to meet the needs of subgroup populations.
- The charter holder provided "Friday School Sign In/Out" documents. These documents include information about students who are identified for additional tutoring, logs time in and time out for students required to attend mandatory tutoring based on pacing of completed lessons, which includes student in the bottom 25%. These documents demonstrate implementation of a curriculum adapted to meet the needs of subgroup populations.
- The charter holder provided "Staff meeting minutes - March 20, 2014" documents. These documents include meeting minutes that address the adaptation of lessons. Specifically, the minutes indicate that at the meeting the policy was set that in math courses students who do not pass mastery tests cannot progress or retest without showing notes taking during lesson. These documents demonstrate implementation of a curriculum adapted to meet the needs of subgroup populations.
- The charter holder provided "MATH Lesson Planner and student follow up responses" documents. These documents include a monthly calendar with remediation topics identified for the tutoring classes, results from student surveys about the AIMS test, and class activity logs. These documents demonstrate implementation of a curriculum adapted to meet the needs of subgroup populations.

**Monitoring Instruction:**

In the area of monitoring instruction, PACE Preparatory Academy's DSP was evaluated as "Falls Far Below." The charter holder did not provide evidence of a sustained improvement plan that includes implementation of a plan for monitoring the integration of the ACCR Standards into instruction. Rather, the charter holder provided evidence of the beginning stages of monitoring and evaluating standards and instructional practices. The charter holder's DSP in the area of monitoring instruction is not acceptable.

- The charter holder must provide evidence of implementation of a system to monitor the integration of ACCR Standards into instruction. Sufficient evidence will demonstrate that the school ensures all grade level standards are taught within the school year in all classrooms and that teachers implement an ACCR Standards-aligned curriculum with fidelity.
    - The charter holder provided "PACE Academy Observation Tool" documents. These documents include one completed evaluation, completed through multiple observations. The evaluation domains include planning and preparation, classroom environment, and professional responsibilities. In planning and preparation, one evaluation element identifies criteria and

standards as an area of evaluation. There is no evidence provided to demonstrate the basis for evaluations on this element. The charter holder did not provide evidence that these evaluation tools have been used to evaluate all teachers, or that these tools are used systematically. The charter holder indicated that this observation tool does not align to their non-traditional method of instruction, and she does not have evidence of the observations that form the basis of the evaluations. These documents provide evidence that the charter holder is at the beginning stages of implementing of a system to evaluate the instructional practices of teachers and monitoring the implementation of the standards into instruction.

  - The charter holder provided an "Email: curriculum changes" document. This document contains an email communication between the school director and instructional staff concerning curriculum changes. The email indicates that all curriculum changes (alterations, additions, or deletions of assignments, quizzes, tests) must be approved by the assistant principal. This document demonstrates that the schools have a policy regarding curriculum changes, but does not provide evidence of the implementation of a system to monitor the integration of ACCR Standards into instruction.

- The charter holder must provide evidence of implementation of a system to evaluate the instructional practices of teachers. Sufficient evidence will demonstrate that the school evaluates the quality of instruction and identifies the strengths, weaknesses, and learning needs of teachers.
  - The charter holder provided "PACE Academy Observation Tool" documents. These documents include one completed evaluation, completed through multiple observations, which identifies for the teacher an area of reinforcement and an area for refinement in each evaluation domain. The evaluation domains include planning and preparation, classroom environment, and professional responsibilities. There is no evidence provided to demonstrate the basis for this evaluation or any other evaluations. The evaluation was not dated or signed by the teacher, and thus does not provide evidence of the use teacher receiving this as feedback. The documents also include an explanation of the evaluation domains/elements, and the expectations for each performance level within the evaluation domains/elements. The charter holder did not provide evidence that these evaluation tools have been used to evaluate all teachers, or that these tools are used systematically. These documents provide evidence that the charter holder is at the beginning stages of implementing of a system to evaluate the instructional practices of teachers.
- The charter holder must provide evidence that school leaders conduct some analysis and provide some feedback to further develop the system. Sufficient evidence will demonstrate that teachers receive the feedback, have access to the resources necessary to address identified weaknesses and learning needs, and/or the school ensures teacher development is ongoing.
  - The charter holder provided an "Email: Parking Pass/ Powerful Writing Strategies For All Students Grade 6-12 March 24, 2014" document. This document contains a communication concerning a professional development training that the charter representatives indicated a teacher had been registered to attend based on her evaluations and teacher learning needs. The teacher did not attend the training because her employment was terminated prior to the training. This document demonstrates an ad hoc approach the schools use to follow-up on areas identified in teacher observation.
  - The charter holder provided an "Email: my newsletter portion" document. This document contains a communication with a teacher concerning a newsletter article she wrote and suggested corrections. The charter representative indicated that this was provided as feedback

based on identified learning needs. This document demonstrates an ad hoc approach the schools use to follow-up on areas identified in teacher observation.

- The charter holder must provide evidence of implementation of a system to evaluate the instructional practices of teachers that addresses the needs of students with proficiency in the bottom 25%, ELL students, free or reduced lunch (FRL) students, and students with disabilities. Sufficient evidence will demonstrate that the school evaluates the quality of instruction and identifies the strengths, weaknesses, and learning needs of teachers in relation to meeting the needs of students with proficiency in the bottom 25%, ELL students, FRL students, and students with disabilities.
    - The charter holder did not provide any evidence to demonstrate implementation of a system to evaluate the instructional practices of teachers that addresses the needs of subgroup students.

**Assessment:**

In the area of assessment, PACE Preparatory Academy's DSPs were evaluated as "Falls Far Below." The charter holder did not provide evidence of a sustained improvement plan that includes implementation of a plan for monitoring and documenting student proficiency. Rather, the charter holder's evidence demonstrated that the charter holder is at the beginning stages of developing a comprehensive assessment system based on clearly defined performance measures and is not collecting data to monitor student growth. The charter holder's DSPs in the area of assessment are not acceptable.

- The charter holder must provide evidence of the implementation of a comprehensive assessment system. Sufficient evidence will demonstrate the school regularly and timely assesses students in a manner that is aligned with the curriculum in order to monitor student progress.
    - The charter holder provided "Student Progress Report" documents. These documents identify the student name, courses enrolled, current course grades, current course credits, number of lessons completed, number of lessons reassigned that need to be completed or accepted, and a list of the students' latest activity included studying, mastery test, practice test, and essay. The documents also provide information about the embedded assessment system in the "lesson details" for each enrolled course. These documents demonstrate the schools have an assessment approach that includes progress monitoring within lessons as well as a benchmarking by pre-test and post-test that are embedded into and align with the A+ curriculum. The documents provide evidence of an approach that the schools use to regularly and timely assess students in a manner that is aligned with the curriculum in order to monitor student progress.
    - The charter holder provided a "June 28, 2013 Meeting Minutes" document. This document includes a discussion about beginning Galileo testing before students are allowed to access their curriculum to ensure completion of Galileo testing and a discussion about Galileo testing dates, which were to be August 12-14, January 6-8, and May 5-7. The document further indicates that Galileo would be made a graduation requirement and students would be locked out of all other computer programs until they completed Galileo tests on the testing dates. The document also indicates that Galileo reports would be given to staff upon completion. No additional data or evidence was provided to demonstrate that the Galileo reports were provided to teachers as described. The documents provide evidence that the schools are implementing Galileo as an assessment approach to monitor student progress.
    - The charter holder provided "Email: Galileo Questions" documents. These documents indicate that prior to scheduling Galileo benchmark assessments, the schools determined it was

necessary to re-evaluate their use of Galileo and set testing parameters. The email communication contained in these documents asked questions about which tests students at each grade should take, whether students who have passed AIMS should take the tests, and when the test should be administered and for how long. These documents include answers to each of these questions from several different teachers. The document specifically indicates that students were loaded into the program, but tests had not been scheduled. There was no data or evidence provided to indicate that Galileo was administered or utilized by the schools according to the testing schedule. The documents provide evidence that the schools are implementing Galileo as an assessment approach to monitor student progress.

  - The charter holder provided "Galileo Intervention Alert IEPs and others" documents. These documents indicate that in the 2013-2014 school year the Galileo assessments were administered. The documents provide evidence that the schools are implementing Galileo as an assessment approach to monitor student progress.

- The charter holder must provide evidence that data from these assessments is analyzed and utilized. Sufficient evidence will demonstrate how and when the school analyzes assessment data, what findings the school makes from assessment data, who is involved in the analysis of assessment data, and how that analysis is used to inform and adapt instruction.
  - The charter holder provided "Camp Verde SP 14 Reading and Writing" and "Prescott Valley SP 14 Reading and Writing" documents. These documents identify FY2014 Spring AIMS assessment results with the bottom 25% of students identified for both campuses in reading and writing. These documents demonstrate that the charter holder is looking at AIMS data. The charter holder indicated that these assessment results would be used to place students in remedial classes in the fall. These documents indicate that the schools are at the beginning stages of analyzing and utilizing student assessment data. This does not provide evidence to demonstrate that the schools are analyzing progress monitoring assessment data and using the data to inform and adapt instruction.
  - The charter holder provided "Teachers' Meeting Agenda - December 12, 2013" documents. These documents include an agenda with the first agenda item being "AIMS Report" which included reviewing the results and "Action Plan," and two pages of a handwritten summary of the Fall AIMS results and percentage of students who passed in each area. The notes do not indicate what plan was made if any, or if there was any further discussion of the data that would constitute data analysis. These documents indicate that the schools are at the beginning stages of analyzing and utilizing student assessment data. This does not provide evidence to demonstrate that the schools are analyzing progress monitoring assessment data and using the data to inform and adapt instruction.
  - The charter holder stated that at all staff meetings they discuss student data and stated that they could provide meeting minutes that included Galileo assessment results discussion. The charter holder provided meeting minutes, but the minutes did not reflect the discussion or use of student assessment/progress monitoring data.
  - The charter holder provided "Student surveys after AIMS Testing" documents. These documents consist of student survey results from a survey conducted in April after the AIMS assessment. The survey asked students to reflect on how well they did on the assessment, how difficult the assessment was, what helped them in preparing, what questions were most difficult, and what could have prepared them more. These documents do not provide evidence to demonstrate

that the schools are analyzing progress monitoring assessment data and using the data to inform and adapt instruction.

- The charter holder must provide evidence of implementation of an assessment system that meets the needs of students with proficiency in the bottom 25%, ELL students, FRL students, and students with disabilities. Sufficient evidence will demonstrate how the assessment system assesses students within the subgroups according to their needs.
    - The charter holder provided graphs of "Galileo Reading/Writing/Algebra/Geometry IEP Students." These documents indicate that three Galileo assessments were conducted in the 12/13 school year and two Galileo assessments were conducted in the 13/14 school year for IEP students. The data demonstrates a mixture of improving and declining performance over time and does not provide any analysis of the data. The documents provide evidence of implementation of an assessment approach that meets the needs of students within the students with disabilities subgroup.

**Professional Development:**

In the area of professional development, PACE Preparatory Academy's DSPs were evaluated as "Falls Far Below." The charter holder did not provide evidence of a sustained improvement plan that includes implementation of a professional development plan that contributed to increased student growth and proficiency. Rather, the charter holder's evidence demonstrated that the charter holder is at the beginning stages of developing a professional development plan based on identified teacher learning needs. Professional development is usually external and determined without regard to an overall school plan. The charter holder's DSPs in the area of professional development are not acceptable.

- The charter holder must provide evidence of implementation of a comprehensive professional development plan. Sufficient evidence will demonstrate that the plan was developed to address teacher learning needs and areas of high importance.
    - The charter holder provided "Professional Development Calendar beginning February 28, 2014" and "What is a professional learning community?" documents. These documents define the purpose of professional development and elements of a high quality professional development system, define a professional learning community, and provide PD dates for the PACE Preparatory Academy schools beginning March 28, 2014, well after the start of the school year. The schedule also indicates that the topics had not yet been planned and would be "forthcoming." When we discussed this schedule, the charter holder indicated that while PD had been completed on two of the dates, but had not been scheduled for the other dates. These documents provide evidence that the charter holder is in the beginning stages of implementation of a professional development plan.
    - The charter holder provided a "Scheduled Future PD Sessions." This document identifies future PD sessions that were scheduled for June 16-17, 2014. This document provides evidence that the charter holder is in the beginning stages of implementation of a professional development plan.
    - The charter holder provided "Staff Meeting Agendas, Minutes and Presentation Materials" documents. These documents identify staff meetings at which trainings were provided. The June 28, 2013 meeting minutes indicate that teachers were provided training on how to use A+, Galileo, and School Master, and that teachers were required to select and sign up for PD webinars of their own selection in order to keep up with PD hours. The July 9, 2013 meeting

agenda indicates that teachers were provided A+ training, and that teachers were to obtain PD through the self-selected PD webinars. The August 5, 2013 meeting agenda indicates that teachers were provided A+ training and that teachers were to report on the PD webinars they selected. The October 3, 2013 meeting agenda indicates teachers were to receive training on October 30 and November 8 concerning crisis response and identifying drugs and gang symbols. Materials from February 7, 2014 indicate a presentation was given on improving reading and writing through blended learning. The February 27, 2014 meeting agenda indicates teachers were to participate in a PLC and receive a presentation on the Google Drive. The PowerPoint presentation for the Google Drive training was provided, it includes activities to support implementation of the skills learned. The February 27, 2014 minutes indicate that teachers were informed that PLCs would occur every Friday from 9-11 and that the Google Drive presentation was given. The March 20, 2014 meeting minutes indicate that training was provided on implementing a sustained silent reading program that would begin on March 24; the minutes also indicated that staff would attend a digital learning showcase on June 16-17. These documents indicate that the schools did not begin to implement a professional development plan until February 2014; prior to that the schools had a fragmented approach to professional development and there is no indication that professional development was addressing teacher learning needs or areas of high importance.

  - The charter holder provided "Galileo Professional Development Webinars attended" documents. These documents are email communications from the Galileo software company describing professional development webinars with handwritten notes that indicate how long the webinar was and who attended the webinar on April 11, 2014. These documents provide evidence that the charter holder is in the beginning stages of implementation of a professional development plan.

- The charter holder must provide evidence of implementation of a system that supports high quality implementation of the information and strategies learned through the professional development plan. Sufficient evidence will demonstrate how the charter holder provides access to resources necessary to implement the information and strategies, and/or otherwise supports teachers in planning to and implementing the information and strategies.
  - The charter holder provided "Presentation Materials" documents. These documents identify staff meetings at which trainings were provided. Materials from February 7, 2014 indicate a presentation was given on improving reading and writing through blended learning; the presentation included activities and a reflection to support teachers in planning to and implementing the strategies. The February 27, 2014 meeting agenda indicates teachers were to participate in a PLC and receive a presentation on the Google Drive. The PowerPoint presentation for the Google Drive training was provided, it includes activities to support implementation of the skills learned. These documents indicate that the schools are in the beginning stages of implementing a professional development plan that supports high quality implementation of the information and strategies.
  - The charter holder provided "3-2-1 Strategy Reflection" and "Professional Development Feedback Form" documents. These documents completed after the February 7, 2014 professional development session require teachers to reflect on the PD and the strategies learned in the PD, how they will use the strategies, concerns they have about implementing the strategies, how the PD could be improved and what they need help with in implementing the strategies. The charter holder indicated that this was used only after the February 7, 2014 PD

session and has not been used with any other sessions. These documents indicate that the schools are in the beginning stages of implementing a professional development plan that supports high quality implementation of the information and strategies.

- The charter holder must provide evidence of implementation of a system to follow-up on and monitor the implementation of the strategies and information learned through the professional development plan. Sufficient evidence will demonstrate how implementation is observed and evaluated and how the school ensures teacher development is ongoing in relation to the information and strategies learned through the professional development plan.
    - The charter holder provided a "Follow up of Instructors 3-2-1 Reading" document. This document is similar to the document used after the February 7, 2014 PD session and demonstrates that a teacher took the strategy and used it in the classroom. It does not, however, provide evidence of implementation of a system to follow-up on and monitor the implementation of the strategies and information learned through the professional development plan.
- The charter holder must provide evidence of implementation of comprehensive professional development plan that meets the needs of students with proficiency in the bottom 25%, ELL students, FRL students, and students with disabilities. Sufficient evidence will demonstrate how the professional development plan addresses teacher weaknesses and learning needs and areas of high importance in relation to students within the subgroups according to their needs.
    - The charter holder did not provide evidence of implementation of comprehensive professional development plan that meets the needs of subgroup students.

**Data:**

The charter holder did not provide data and analysis that demonstrates improved academic performance based on data generated from valid and reliable assessment sources. The charter holder did not provide evidence of increased proficiency for students in the ELL, FRL, or students with disabilities subgroups. The charter holder's DSPs in the area of data are not acceptable.

- The charter holder must provide evidence of the effectiveness of their systems in each of the areas discussed above through the presentation of valid and reliable data and data analysis that demonstrates improved student growth and proficiency. Sufficient evidence will demonstrate the school's performance on the AIMS assessment, as reflected in the dashboard, is and will continue to improve as compared to prior years.
    - The charter holder provided reading proficiency data for the 2014 AIMS administrations for fall and spring for students at the PACE Preparatory Academy (79108) site. According to the charter holder the data demonstrates that the school's percent passing for FAY students will be higher than in the prior year. In completing its calculations, the charter holder inexplicably omits 4 fall test records for students who scored "approaches," but includes5 students who scored "meets." As a result, board staff attempted to verify the expected percent passing. When board staff attempted to verify this information, they were unable to do so. This data does not provide valid and reliable analysis that demonstrates improved student growth and proficiency.
    - The charter holder provided math proficiency data for the 2014 fall AIMS administration as compared to fall 2013 AIMS administration for students at the PACE Preparatory Academy (79108) site. According to the charter holder the data demonstrates that the school's percent passing for FAY students will be higher than in the prior year by approximately 2%. This is not a

sufficient improvement. A deeper look at the data also indicates that of the student for whom there was both FYFall2013 and FYFall2014 data only 1 student shows any improvement in their performance level, moving from "meets" to "exceeds;" all students scoring "FFB" or "approaches" maintain the same performance level. Further, when board staff attempted to verify this information, it was unable to do so. This data does not provide valid and reliable analysis that demonstrates improved student growth and proficiency.

- The charter holder provided reading proficiency data for the 2014 AIMS administrations for fall and spring for students at the PACE Preparatory Academy (80437) site. According to the charter holder the data demonstrates that the school's percent passing for FAY students will be lower than in the prior year; though the charter holder points out that it will be aligned with the prior year's state proficiency. When board staff attempted to verify this information, they were unable to do so. This data does not provide valid and reliable analysis that demonstrates improved student growth and proficiency.
- The charter holder provided math proficiency data for the 2014 fall AIMS administration as compared to fall 2013 AIMS administration for students at the PACE Preparatory Academy (80437) site. The charter holder's own analysis indicates that the percentage of students who scored proficient was the same, 25%, in both FYFall2013 and FYFall2014. A deeper look at the data also indicates that of the student for whom there was both FYFall2013 and FYFall2014 data no student showed any improvement in their performance level. The charter holder recognizes that this likely shows that the school's proficiency will be the same as last year. Further, when board staff attempted to verify this information, it was unable to do so. This data does not provide valid and reliable analysis that demonstrates improved student growth and proficiency. Rather, the data indicates that the school is likely to receive a FFB rating for measure 2a math, measure 2b math, and measure 2c FRL math again in 2014. This data does not provide valid and reliable analysis that demonstrates improved student growth and proficiency.
- The charter holder provided graphs of "Galileo Reading/Writing/Algebra/Geometry IEP Students." These documents indicate that three Galileo assessments were conducted in the 12/13 school year and two Galileo assessments were conducted in the 13/14 school year for IEP students. The data demonstrates a mixture of improving and declining performance over time and does not provide any analysis of the data. This data does not provide valid and reliable analysis that demonstrates improved student growth and proficiency.

**Increasing Graduation Rate:**

In the area of increasing graduation rate, PACE Preparatory Academy's DSPs were evaluated as "Approaches." The charter holder did not provide evidence of a sustained improvement plan that includes increasing the percent of entering ninth graders who graduate from high school in four years. While the charter holder's evidence demonstrated that the charter holder has implemented strategies to ensure students in grades 9-12 graduate on time, the school did not present data that demonstrates success in ensuring students graduate on time. The charter holder's DSPs in the area of increasing graduation rate are not acceptable.

- The charter holder must provide evidence of strategies the school uses to ensure students in grades 9-12 graduate on time. These strategies should ensure that students have a plan to direct them in meeting graduation requirements that is kept up-to-date, and should include practices to address early academic difficulty.
    - The charter holder provided "Progress Tracking Report" documents. These documents, which are given to students, identify the student and inform the student of how many credits they

have earned toward graduation, how many credits they must still earn toward graduation, and how many credits they have an should earn in a school year. These documents demonstrate a strategy the schools use to ensure students in grades 9-12 graduate on time.

  - The charter holder provided "Grad Book" documents. These documents identify the student and track graduation credit completion. These documents demonstrate a strategy the schools use to ensure students in grades 9-12 graduate on time by ensuring that students have a plan to direct them in meeting graduation requirements that is kept up-to-date.
  - The charter holder provided "Old Messages" documents. These documents reflect communications between the Assistant Principal and students including 1 communication about "graduation meetings." These documents demonstrate a strategy the schools use to ensure students in grades 9-12 graduate on time.
  - The charter holder provided a "Newsletter Graduation and Retention_ECAP_Incentives" document. This document indicates the August 2013 newsletter provided students and parents with information about ECAPs and completing ECAPS through AZCIS. The document also provides information about student incentive programs that the schools have implemented to reward students for perfect attendance, making academic progress by earning credits in core courses, maintaining a B average, avoiding behavior issues, remaining enrolled, and scoring proficient on AIMS. These documents demonstrate a strategy the schools use to ensure students in grades 9-12 graduate on time.
  - The charter holder provided "ECAP AzciS Graduates" documents. These documents demonstrate that students have completed ECAPS on AZCIS. These documents demonstrate a strategy the schools use to ensure students in grades 9-12 graduate on time.
  - The charter holder provided "AU-Yavapai College Graduates advancement" documents. These documents reflect communications among PACE Academy staff concerning a visit from the NAU-Yavapai enrollment coordinator. These documents demonstrate a strategy the schools use to ensure students in grades 9-12 graduate on time.

- The charter holder must provide evidence that demonstrates success in ensuring students graduate on time.
  - The charter holder provided graduation rate data for students at the PACE Preparatory Academy (79108) site for 2009, 2010, 2011, and predicted data for 2012. The actual graduation rate declined from 2009 to 2010, increased from 2010 to 2011, and declined from 2011 to 2012. The charter holder did not provide data for the 2013 graduation rate, which is the data that will be reported on the 2014 dashboard. The charter holder should have this data for the students who graduated in FY2013. The charter holder did not provide any data that demonstrates improved success in ensuring students graduate on time in 2013 or 2014.
  - The charter holder provided graduation rate data for students at the PACE Preparatory Academy (80437) site for 2009, 2010, 2011, and predicted data for 2012. The actual graduation rate declined from 2009 to 2010, decreased from 2010 to 2011, and increased from 2011 to 2012. The charter holder did not provide data for the 2013 graduation rate, which is the data that will be reported on the 2014 dashboard. The charter holder should have this data for the students who graduated in FY2013. The charter holder did not provide any data that demonstrates improved success in ensuring students graduate on time in 2013 or 2014.

## II. Viability of the Organization

The charter holder did not meet the Board's financial performance expectations based on the fiscal year 2013 audit. The following table includes the charter holder's financial data and financial performance for the last three audited fiscal years.

### PACE Preparatory Academy

| Financial Data | | | | |
|---|---|---|---|---|
| | 2013 | 2012 | 2011 | |
| **Statement of Financial Position** | | | | 2010 |
| Cash | $165,611 | $69,465 | $104,457 | $128,091 |
| Unrestricted Cash | $117,293 | $7,732 | $38,706 | |
| Other Liquidity | - | | | |
| Total Assets | $317,071 | $271,676 | $242,910 | |
| Total Liabilities | $336,766 | $185,320 | $67,189 | |
| Current Portion of Long-Term Debt & Capital Leases | $61,554 | $23,639 | $20,251 | |
| Net Assets | ($19,695) | $86,356 | $175,721 | |
| **Statement of Activities** | | | | |
| Revenue | $955,233 | $795,780 | $822,928 | |
| Expenses | $1,061,284 | $885,145 | $829,311 | |
| Net Income | ($106,051) | ($89,365) | ($6,383) | |
| Change in Net Assets | ($106,051) | ($89,365) | ($6,383) | |
| **Financial Statements or Notes** | | | | |
| Depreciation & Amortization Expense | $40,210 | $28,640 | $24,429 | |
| Interest Expense | $14,264 | $15,718 | $14,274 | |
| Lease Expense | $127,032 | $161,772 | $132,700 | |

| Financial Performance | | | | |
|---|---|---|---|---|
| | 2013 | 2012 | 2011 | 3-yr Cumulative |
| Near-Term Indicators | | | | |
| Going Concern | No | No | No | N/A |
| Unrestricted Days Liquidity* | 40.34 | 3.19 | 17.04 | N/A |
| Default | No | No | No | N/A |
| Sustainability Indicators | | | | |
| Net Income | ($106,051) | ($89,365) | ($6,383) | N/A |
| Cash Flow | $96,146 | ($34,992) | ($23,634) | $37,520 |
| Fixed Charge Coverage Ratio | 0.37 | 0.58 | 0.99 | N/A |

* For fiscal years 2011 and 2012, the field reflects the charter holder's performance under the financial framework's previous "Unrestricted Days Cash" measure.

The charter holder was required to submit a financial performance response based on the fiscal year 2013 audit (portfolio: k. Renewal Financial Response). Staff's evaluation of the financial performance response resulted in zero "Acceptable" and three "Not Acceptable" determinations (portfolio: j. Renewal Financial Response Evaluation).

The financial response further details a fragmented approach to adopting a curriculum to increase student growth and proficiency as evidenced by the following:

Fiscal year 2012

- Instructional salaries increased by $51,955. Response indicates tutors and additional teachers were added to "give students an opportunity to have more one on one time with an instructional leader".
- In May 2012, the charter holder entered into a 48-month capital lease totaling $88,928 "to redesign the computer curriculum in order to increase academic achievement".

Fiscal year 2013

- "…the school continued its path to pursue academic excellence and increased instruction $5,932 from the prior year."

Fiscal year 2014

- Instructional staff was turned over as the results of the fiscal year 2013 data "were not what was expected. Management has since hired instructional staff members that are highly qualified and more accommodating to help our student demographic make academic gains. The school has also added two more instructional positions. The hope is that the FY2014 test scores will improve with all the financial sacrifices that were made."

Fiscal year 2015

- The charter holder is considering "engaging in a program using the interactive TV software offering students a more robust curriculum which will reduce salary costs for the future."
- "The management team will re-evaluate the staffing model in order to reduce expenses to see if the current model is producing the results that it expects and will make decisions based on the test scores delivered from the AIMS scores for FY2014."

## III. Adherence to the Terms of the Charter

A. Compliance Matters Requiring Board or Other Agency Action

Over the past five years, there were no items to report.

B. Other Compliance Matters

In October 2010, the charter holder was determined to be in non-compliance with the reporting requirements for Highly Qualified Teachers and the LEA's Title II funds were placed on programmatic hold until the issue was resolved. The charter holder corrected the matter upon receipt of the notification.

The fiscal year 2012 audit indicated that for three employees required to have a valid fingerprint clearance card (FCC), the charter holder had an expired FCC on file for the employees. As of the testing date of June 7, 2012, the charter holder had submitted applications on file for each employee. As of the audit report date, the charter holder had obtained an up-to-date FCC for each employee. Since the audit indicated that all staff were now properly fingerprinted, a corrective action plan (CAP) was not required.

The fiscal year 2010 audit identified issues that required a CAP. Specifically, the fiscal year 2010 audit stated, "It is also unclear as to why the School contracted with both an individual, as well as the company owned by the individual's wife, to provide the same services." The fiscal year 2010 audit also indicated that the charter holder paid a related party vendor $5,614 in advance of the receipt of services. The charter holder submitted a satisfactory CAP. Further, in addition to the matter involving the charter holder contracting with both an individual and a company owned by the individual's wife to provide the same service, the fiscal year 2010 audit identified that certain services were provided in previous years with the individual being treated as employee rather than as an independent contractor and indicated that the charter holder leased two vehicles from the charter holder's CFO for the CFO and the charter holder's third party accounting contractor "at amounts which may be deemed excessive". Since this may involve the interpretation of federal laws and regulations, these matters were forwarded to the Internal Revenue Service for its review.

C. Charter Holder's Organizational Membership

Because the organizational membership on file with the Board was not consistent with the information on file with the Arizona Corporation Commission, the charter holder was required to submit the charter holder's Organizational Membership portion of the Detailed Business Plan Section. The charter holder provided evidence of the appropriate filing that aligns organizational membership on file with the Board and the Arizona Corporation Commission.

## Board Options

**Option 1:** The Board may deny the renewal. Staff recommends the following language provided for consideration: Having considered the statements of the representatives of the charter holder today and the contents of the renewal portfolio which includes the academic performance, the fiscal compliance, and legal and contractual compliance of the charter holder provided to the Board for consideration of this request for charter renewal, I move to deny the request for charter renewal and to not grant a renewal contract to PACE Preparatory Academy on the bases that the charter holder failed to meet or make sufficient progress toward the academic performance expectations set forth in the performance framework as reflected in the Renewal Executive Summary and currently operates two schools that have received overall ratings of "Does Not Meet Standard" or "Falls Far Below Standard" in both of the two most recent fiscal years for which there is State assessment data available.

**Option 2:** Notwithstanding staff's recommendation to deny the renewal, the Board may determine that there is a basis to approve the renewal. The following language is provided for consideration: Renewal is based on consideration of academic, fiscal and contractual compliance of the charter holder. In this case, the charter holder did not meet the academic performance expectations set forth in the Board's performance framework but was able to demonstrate sufficient progress toward the Board's expectations when: [*provide specific findings related to curriculum, monitoring of instruction, assessment, professional development, and/or data*]. Additionally, the Board has adopted an academic performance framework that allows for additional consideration of the charter holder throughout the next contract period. There is a record of past contractual noncompliance which has been reviewed. With that taken into consideration, as well as having considered the statements of the representatives of the charter holder today and the contents of the renewal portfolio which includes the academic performance, the fiscal compliance, and legal and contractual compliance of the charter holder provided to the Board for consideration of this request for charter renewal, I move to approve the request for charter renewal and grant a renewal contract to PACE Preparatory Academy.