New Horizon School for the Performing Arts - Entity ID 4366
School:
New Horizon School for the Performing Arts

Renewal Executive Summary

Sources of Evidence for this Document

Pursuant to A.R.S. 15-183.I, the Arizona State Board for Charter Schools (Board) has established a process for the renewal of a charter that is based on affirmative evidence in three areas:

I. Success of the academic program, including academic achievement
II. Viability of the organization, including fiscal management and compliance
III. Adherence to the terms of the charter, including contract and legal compliance

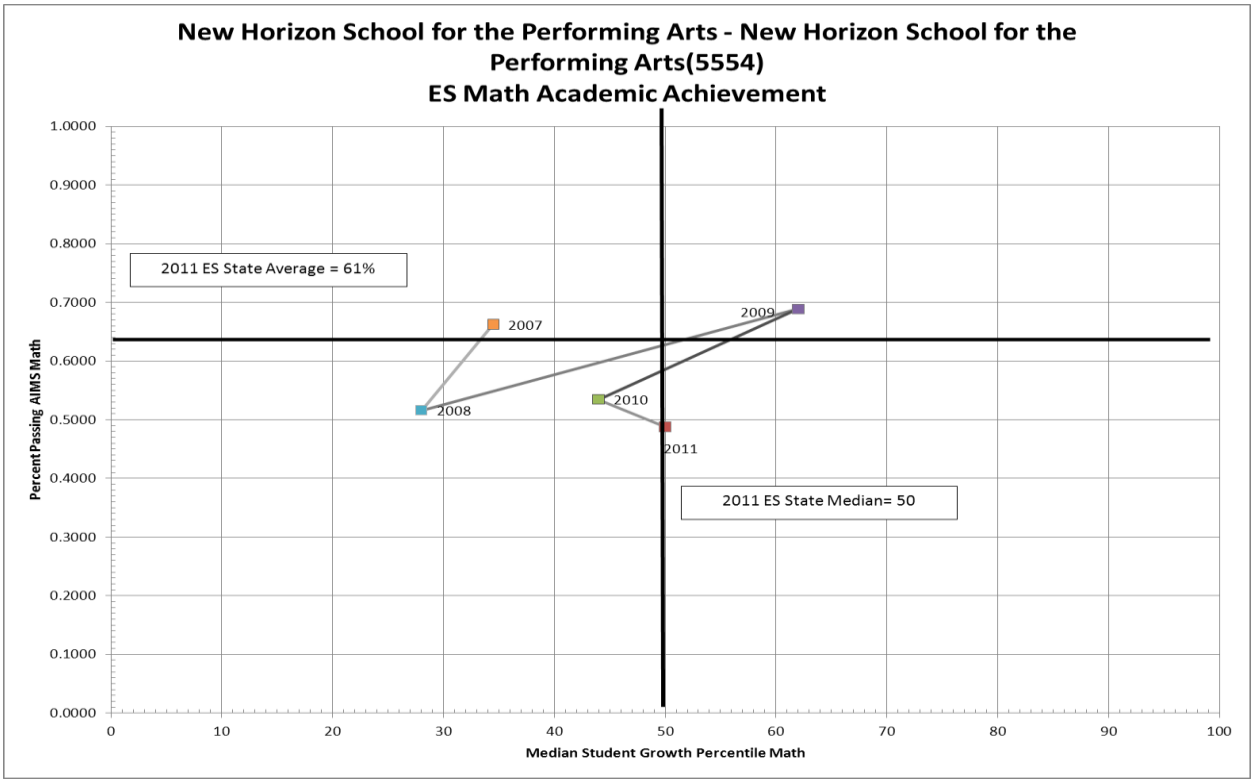
Evaluation of the charter holder's success in these three areas is based on a variety of information that will serve as sources of evidence in determining renewal of a charter. These sources include, but are not limited to:

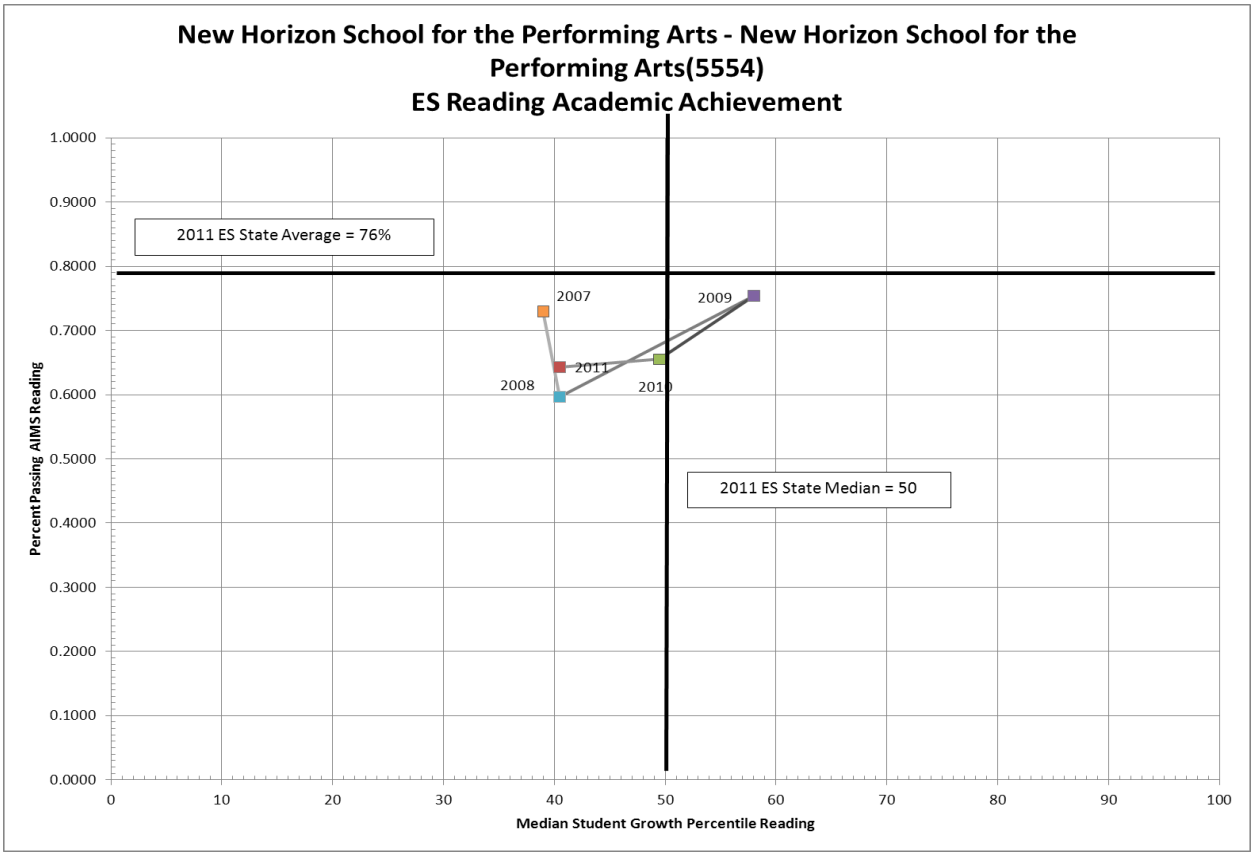
- Pupil achievement data
- Independent financial audits
- Five-year interval summary reviews
- Site visit reports
- Monitoring reports
- Application package for renewal

Profile

New Horizon School for the Performing arts operates one school serving grades K-6 with a total FY2011 average daily membership (ADM) of 163.886. Additional information can be found in the Renewal Summary Review.

Graphs displaying the academic achievement for the past five years, if available, are provided on the next page.


New Horizon School for the Performing Arts - New Horizon School for the Performing Arts(5554)
ES Math Academic Achievement
2011 ES State Average = 61%
2011 ES State Median= 50
2007
2008
2009
2010
2011
Percent Passing AIMS Math
Median Student Growth Percentile Math
1.0000
0.9000
0.8000
0.7000
0.6000
0.5000
0.4000
0.3000
0.2000
0.1000
0.0000
0
10
20
30
40
50
60
70
80
90
100


New Horizon School for the Performing Arts - New Horizon School for the Performing Arts(5554)
ES Reading Academic Achievement
2011 ES State Average = 76%
2011 ES State Median = 50
2007
2008
2009
2010
2011
Percent Passing AIMS Reading
Median Student Growth Percentile Reading
1.0000
0.9000
0.8000
0.7000
0.6000
0.5000
0.4000
0.3000
0.2000
0.1000
0.0000
0
10
20
30
40
50
60
70
80
90
100

I. Success of the Academic Program

The academic performance of the school operated by the charter holder did not meet or demonstrate sufficient progress toward the Board's level of adequate academic performance. Therefore, the charter holder was required to submit a Performance Management Plan in the academic section of the renewal application and to complete the Renewal Budget Plan.

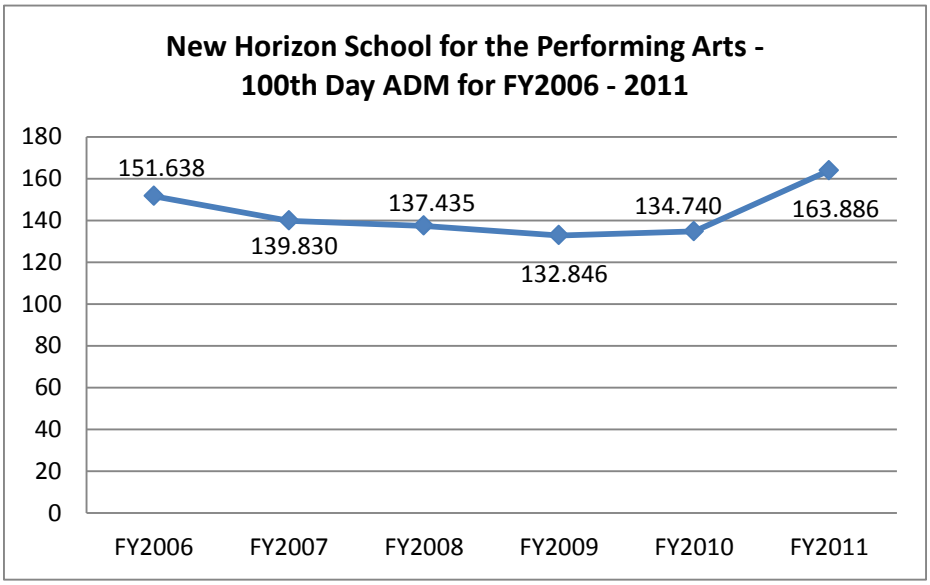
A PMP narrative and templates were submitted. A leadership team discussion took place on November 2, 2011 at New Horizon School for the Performing Arts with Jann Wyler (Charter Representative), Carrie Larsen (Continuous Improvement Committee Facilitator), Kara O'Dell (Instructional Specialist/ELD Teacher, ELL Coordinator), Christine Ramsey (Academic Specialist/6th grade teacher, AIMS Coordinator), Sherry Occhuizzo (Title I coordinator, AIMS Committee, Paraprofessional K-6th), Wendy Kinney (Title I Teacher/Paraprofessional K-6th), and Susan Washington (School Secretary). The team discussion focused on assessment, student proficiency, and professional development. The support materials provided by the charter holder as part of the renewal application, including board meeting documents and other materials, were discussed. The information provided by the team gave staff a better understanding of the Performance Management Plan narrative and templates submitted and provided some clarification of information that should have been provided in the PMP narrative.

Required submissions for the Academic Performance Section and the Renewal Budget Plan, as well as the applicable evaluation instrument and checklist, are included in the charter holder's portfolio. The evaluation instrument completed by staff identifies whether the required information provided included a Full Description, a Partial Description, or a Very Limited Description. The checklist completed by staff identifies whether the required elements of the Detailed Business Plan were addressed.

II. Viability of the Organization

Because the charter holder's fiscal years 2009 and 2010 audits identified negative net assets at the end of each year, the charter holder was required to complete the Renewal Budget Plan and submit the Financial Sustainability Narrative and supporting evidence. Required submissions for the charter holder's Financial Sustainability portion of the Detailed Business Plan Section of the application and the applicable checklist are included in the charter holder's portfolio. The checklist completed by staff identifies whether the required elements of the Detailed Business Plan were addressed.

The graph below shows the charter holder's actual 100th day average daily membership (ADM) for fiscal years 2006 through 2011. The ADM included in the Renewal Budget Plan for fiscal year 2010 was in line with reports available through the Arizona Department of Education's (ADE) website. As of the renewal application submission date, the ADM included in the Renewal Budget Plan for fiscal year 2011 was also in line with reports available through the ADE's website. However, subsequent to the application's submission, the ADE completed the statewide recalculation for fiscal year 2011. Following the recalculation, the charter holder's fiscal year 2011 ADM dropped from 175.26 to 163.886. As of October 18, 2011, the charter holder's estimated student count for fiscal year 2012 was 181.



In reviewing the five most recent audits (2006-2010), the financial statements for all five years show deficits resulting from liabilities in excess of assets ranging from a low of $29,194 in fiscal year 2006 to a high of $190,972 in fiscal year 2009. For fiscal year 2010, the deficit was $174,745. As of June 30, 2010, the charter holder did not have sufficient cash or other readily available resources [$94,183] to satisfy obligations due within the next year [$127,140]. Additionally, during the previous five fiscal years, the charter holder's operations have provided cash. Finally, over the course of the previous five audits, the charter holder has fluctuated at year end between deficits, resulting from expenses exceeding revenues, and surpluses where revenues exceeded expenses. After three consecutive years of losses, the charter holder experienced a surplus of $16,227 in fiscal year 2010. The Renewal Budget Plan projects surpluses in fiscal years 2011 through 2013 and positive year-end net assets in fiscal year 2012.

In the Financial Sustainability Narrative, the charter holder mentions that the fiscal year 2009 audit reflected an accumulated net asset deficit of $190,972. For fiscal year 2009, the charter holder's ADM was 132.846. The narrative continues by noting that the fiscal year 2010 audit indicated an increase in net assets in the amount of $16,227, which reduced the accumulated deficit to $174,745. For fiscal year 2010, the charter holder's ADM was 134.74. According to the narrative, during fiscal year 2011, the charter holder devoted time and resources to the development of the school's website and internet exposure, resulting in an increased ADM. Further, the narrative addresses the school facility and recent line of credit. According to the audits, during fiscal years 2009 and 2010, the charter holder had outstanding balances on its line of credit of $71,000 and $85,000, respectively. As of June 30, 2011, the narrative states that the entire line of credit amount was available. The narrative concludes that the charter holder " has positioned itself with the management of the school's assets and the building of a student population to assure the continued financial sustainability of this enterprise in the future."

III. Adherence to the Terms of the Charter

A. Compliance Matters Requiring Board or Other Agency Action[1]

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

B. Other Compliance Matters[2]

In April 2007 ADE Academic Achievement Division (ADE/AAD) identified noncompliance items for NCLB Programmatic Monitoring Cycle Packet 6 for 2006-2007. The noncompliance items were reported by ADE as resolved in June 2007.

In April 2011 the results of an on-site review of the No Child Left Behind (NCLB), State Johnson-O-Malley (JOM), Migrant, Neglected or Delinquent programs identified deficiencies in some areas. The deficiencies were reported by ADE as resolved in June 2011.

C. Charter Holder's Organizational Membership

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

Staff Recommendation

Renewal is based on consideration of academic, fiscal and contractual compliance of the charter holder. In this case, there is a record of academic performance below the Board's level of adequate academic performance, which has been addressed by the charter holder through the inclusion of a performance management plan as part of the renewal application package and can be incorporated in the charter contract. With that taken into consideration and based upon the fiscal compliance and all information provided to the Board for consideration of this renewal application package, I move to approve the request for charter renewal and grant a renewal contract to New Horizon School for the Performing Arts that incorporates the performance management plan.

[1] For more information about the areas of compliance reviewed for this section, please see the "Renewal Guide".
[2] For more information about the areas of compliance reviewed for this section, please see the "Renewal Guide".