Shonto Governing Board of Education, Inc. - Entity ID 6353
School:
Shonto Preparatory Technology High School

Renewal Executive Summary

Sources of Evidence for this Document

Pursuant to A.R.S. 15-183.I, a charter may be renewed for successive periods of twenty years. 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:

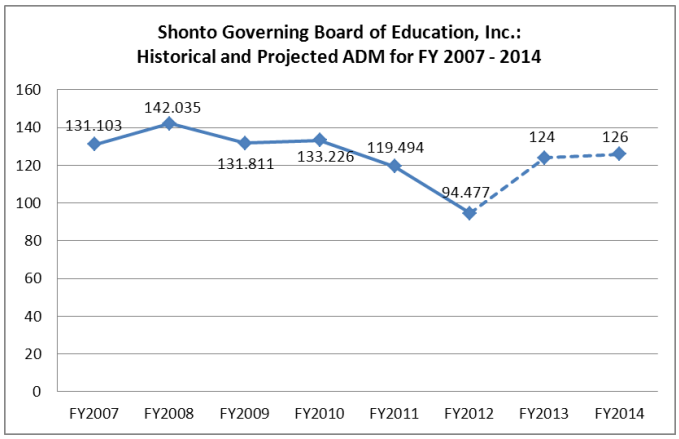
I. Success of the academic program, including academic achievement
II. Viability of the organization, including fiscal management and compliance
III. Adherence to the terms of the charter, including contract and legal compliance

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:

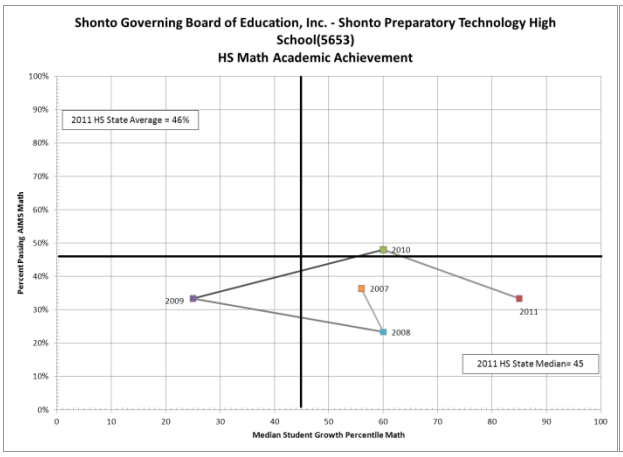
- Pupil achievement data
- Independent financial audits
- Five-year interval summary reviews
- Site visit reports
- Monitoring reports
- Application package for renewal

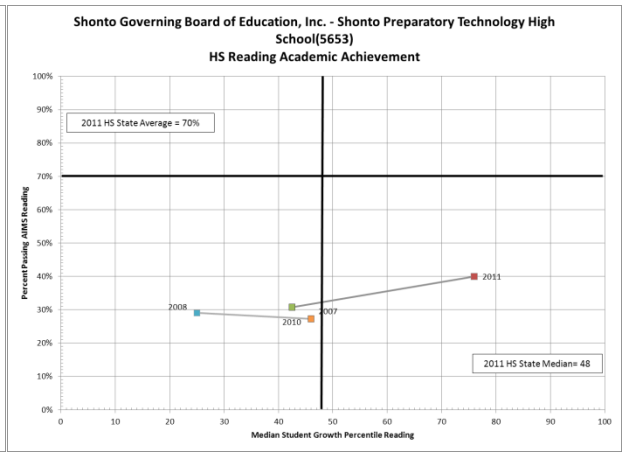
Profile

Shonto Governing Board of Education Inc. operates one school serving grades 9-12. The graph below shows the charter holder's actual 100th day average daily membership (ADM) for fiscal years 2007-2011 and the fiscal year 2012 ADM or estimated count as of April 16, 2012 and projected ADM through 2014. Projections were provided by the charter holder as part of the submitted Renewal Budget Plan.



Graphs displaying the academic achievement for the past five years, if available, are below.





I. Success of the Academic Program

The academic performance of the school(s) 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.

On January 4, 2012, the charter holder submitted a PMP narrative and templates. Academic oversight documentation was not submitted.

A leadership team discussion took place on April 4 at the administrative office for the school with Sharon Singer (Superintendent, High School Principal and Charter Representative), Gwendolyn Todacheene (Assistant Principal), Ellen Cooley (School Board President), and Ella Dodson (Interim Business Office Accountant). Although the submitted PMP template was identified for reading, the content of the narrative and template included math and was scored for both reading and math. The leadership team provided information on the district's strategic plan, some of which was reflected in the PMP. Action steps in the PMP had a heavy emphasis on continuous progress monitoring for student mastery. The team explained that, in the past year and a half, under new leadership, there is a focus on collecting and analyzing data including early identification of high needs students. The school has also focused on professional development and contracted with WestEd to work with school staff to improve lesson design and instructional delivery. The information gleaned from the discussion supported the Performance Management Plan narrative and templates submitted.

Shonto Preparatory High School serves ten area chapters for the Navajo Nation: Shonto, Inscription House, Navajo Mountain, Kaibeto, Black Mesa, Pinon, Forest Lake, Red Lake, Oljato, and Kayenta.

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

The charter holder meets the standards specified in the *Renewal Application Instructions*. Therefore, the charter holder was not required to submit the charter holder's Financial Sustainability portion of the Detailed Business Plan Section.

III. Adherence to the Terms of the Charter

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

In April 2009, the Board voted to withhold 10% of the charter holder's monthly State aid apportionment for failure to timely submit the fiscal year 2008 single audit. The withholding occurred for three months.

B. Other Compliance Matters[2]

In May 2010, the Arizona Department of Education, Academic Achievement Division (ADE/AAD) notified the charter holder that the applications for Title I and Title II were not approved due to a lack of documentation of evidence of a Title I program and the fact that a monitoring visit could not be completed during the 2008-09 and 2009-10 school years. In May 2011, the charter holder was notified that the charter holder was in compliance.

In April 2011, ADE Exceptional Student Services notified the charter holder of noncompliance in some areas with regard to specific regulations for Part B, Individuals with Disabilities Education Act (IDEA), and the Arizona Revised Statues. An additional notice was sent on April 20, 2012 notifying the charter holder that there continued to be unresolved issues that prevented the completion of the Corrective Action Plan. On April 27, 2012, the charter holder was notified that a Corrective Action Plan had been received by ADE Exceptional Services.

The fiscal year 2011 audit identified three issues that required a corrective action plan (CAP). First, the audit indicated that approximately $27,775 in Classroom Site Fund monies were spent on items not specifically allowed for by the CSF statute. Second, the audit indicated that for the last three quarters of fiscal year 2011, the required reports were not timely submitted to the Internal Revenue Service (IRS), Arizona Department of Revenue (ADOR) and Arizona Department of Economic Security (ADES). The audit indicated that the charter holder timely remitted all tax withholdings to these entities. Third, the audit indicated that the charter holder had not filed its annual report for the fiscal years ending June 30, 2009, 2010 and 2011 with the Navajo Nation, Division of Economic Development, Business Regulatory Department. The charter holder submitted a satisfactory CAP addressing these issues.

[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".

Additionally, the fiscal year 2010 audit identified an issue that required a CAP. Specifically, the audit indicated that the school was unable to provide the audit firm with the electronic attendance records for fiscal year 2010. The charter holder submitted a satisfactory CAP.

Further, the fiscal year 2008 audit indicated a qualified auditor's opinion on the financial statements because of the inadequacy of accounting records. Specifically, the audit indicated that auditors were unable to obtain documentation supporting the amounts reported as prior period adjustments to the nets assets of the government-wide financial statements, the fund balances of the governmental fund financial statements and the proprietary fund financial statements. The charter holder submitted a satisfactory CAP.

Finally, the fiscal year 2007 audit identified two issues that were repeated from 2006. First, the charter holder did not maintain documentation demonstrating that parents and guardians had been informed of the availability of teacher resume information. Second, auditors noted significant differences between the bank reconciliation balance and the general ledger balance.

For the previous five fiscal years, the charter holder has failed to timely submit its annual audit for one or more years.

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.

Board Options

Option 1: The Board may approve the renewal. Staff recommends the following language for consideration: 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. There is also a record of past contractual noncompliance which has been reviewed. With that taken into consideration as well as all information provided to the Board for consideration of this renewal application package and during its discussion with representatives of the charter holder, I move to approve the request for charter renewal and grant a renewal contract to Shonto Governing Board of Education, Inc. that incorporates the performance management plan.

Option 2: The Board may deny the renewal. The following language is provided for consideration: Based upon a review of the information provided by the representatives of the charter holder and the contents of the application package which includes the academic performance, the fiscal compliance, and legal and contractual compliance of the charter holder over the charter term, I move to deny the request for charter renewal and to not grant a renewal contract for Shonto Governing Board of Education, Inc. Specifically, the charter holder, during the term of the contract, failed to meet the obligations of the contract or failed to comply with state law when it:

1. Failed to provide a learning environment to improve pupil achievement in accordance with A.R.S. § 15-181(A).

2. Other specific reasons the Board may have found during its consideration including…