Employ-Ability Unlimited, Inc. - Entity ID 6375
School(s): Copper Canyon Academy (K-8)
Desert Pointe Academy (9-12)

Transfer Executive Summary

The State Board of Education (SBE) approved a motion at its January 25, 2010 meeting not to proceed with the renewal of current charter contracts and refer charter holders currently sponsored by the SBE and whose charters are due to expire to the Arizona State Board for Charter Schools (Board) for the consideration of a transfer of the charter. Since that time, state law was amended to provide for additional charter sponsors.

Sources of Evidence for this Document

Pursuant to A.R.S. 15-183.V, the Board has established a process for the transfer 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

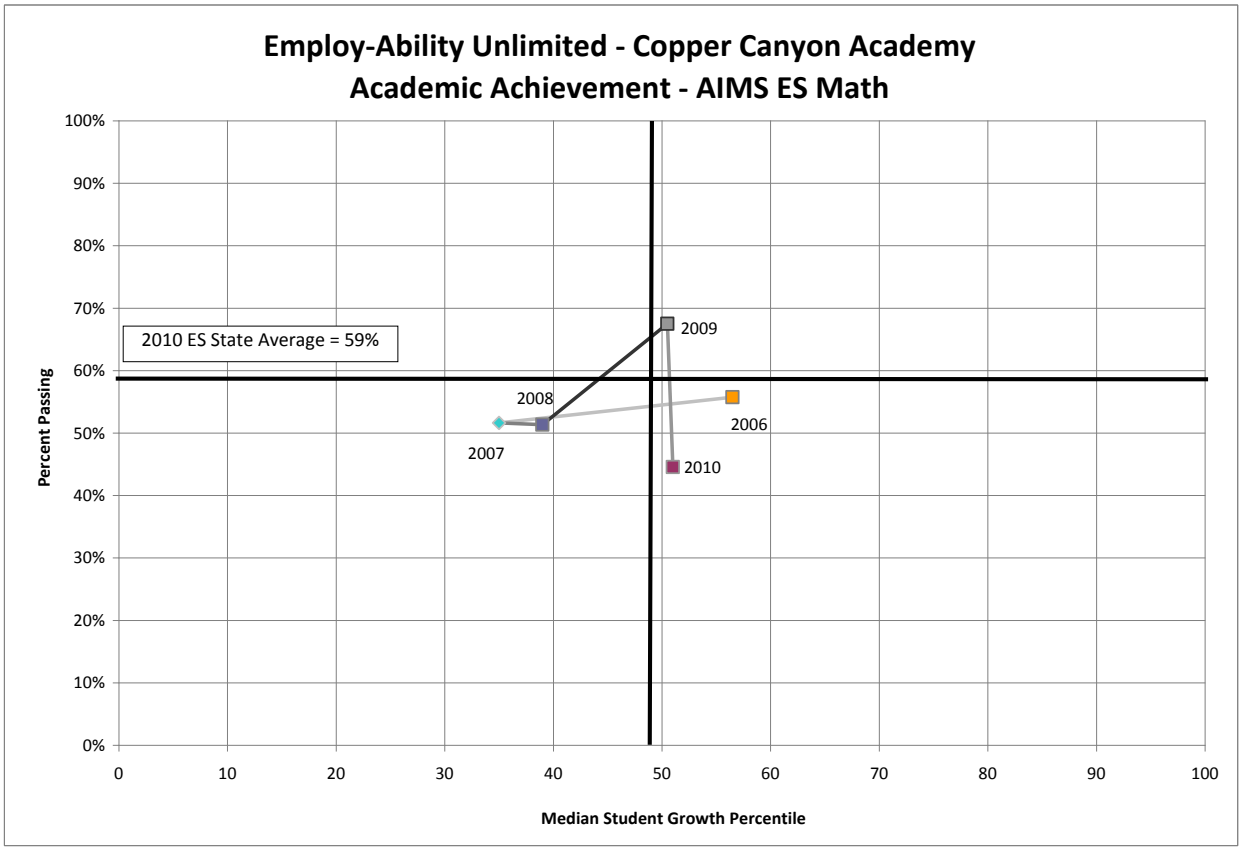
Evaluation of the charter holder's success in these three areas is based on a variety of information that will serve as sources of evidence in determining transfer of a charter. These sources include, but are not limited to:

- Pupil achievement data
- Independent financial audits
- Five-year interval summary reviews
- Site visit reports
- Monitoring reports
- Application package
    - In addition to the items included in the portfolio, other documents submitted and reviewed were the Charter Contract Release, Board Minutes, Charter Contract Copy, Certificate of Occupancy, Fire Marshal's Report, Lease Agreement, Liability Insurance, and Declarations.

Profile

Employ-Ability Unlimited, Inc. operates two (2) schools serving grades K-8 and 9-12 with a total FY11 average daily membership (ADM) of 234.362. The current contract is set to expire on July 6, 2013. Additional information can be found in the Summary Review.

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


Employ-Ability Unlimited - Copper Canyon Academy
Academic Achievement - AIMS ES Math
2010 ES State Average = 59%
2009
2008
2006
2007
2010
Percent Passing
Median Student Growth Percentile
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
0
10
20
30
40
50
60
70
80
90
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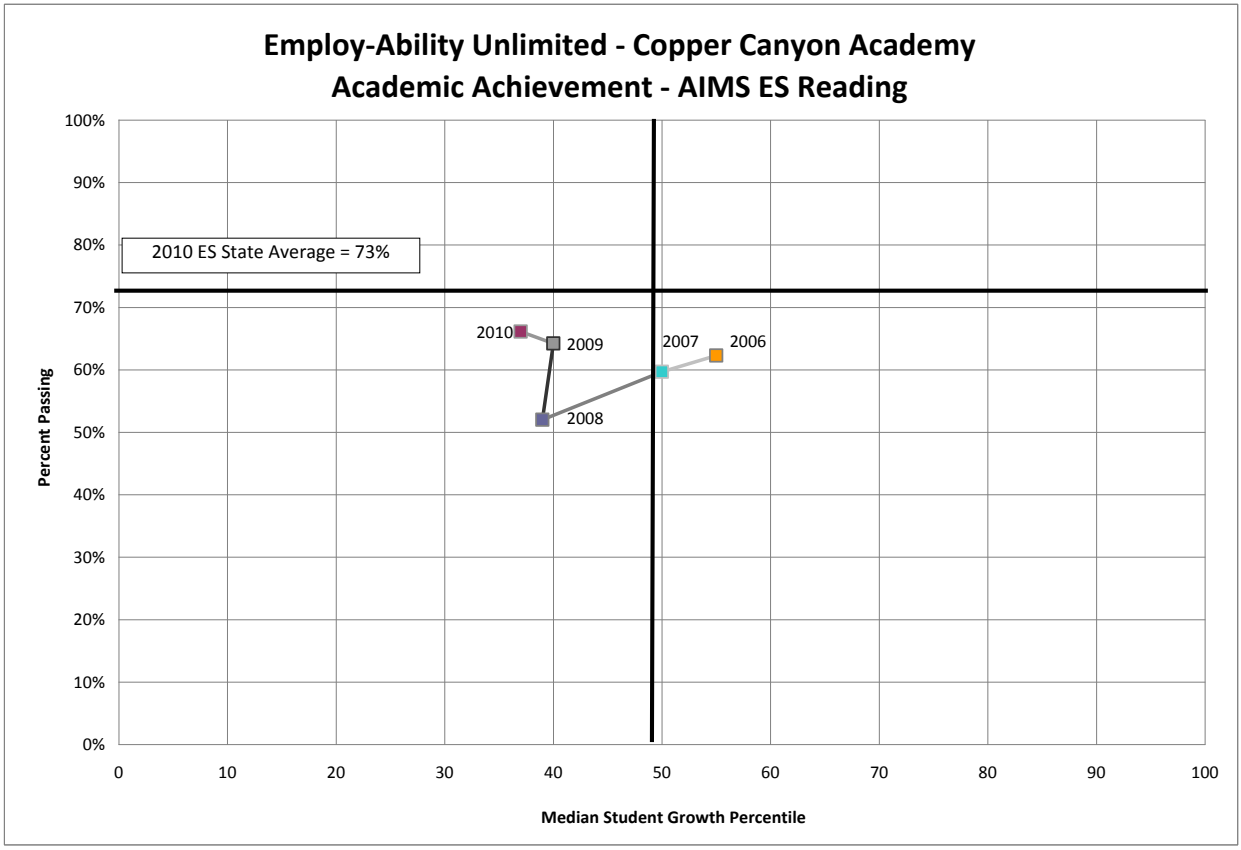
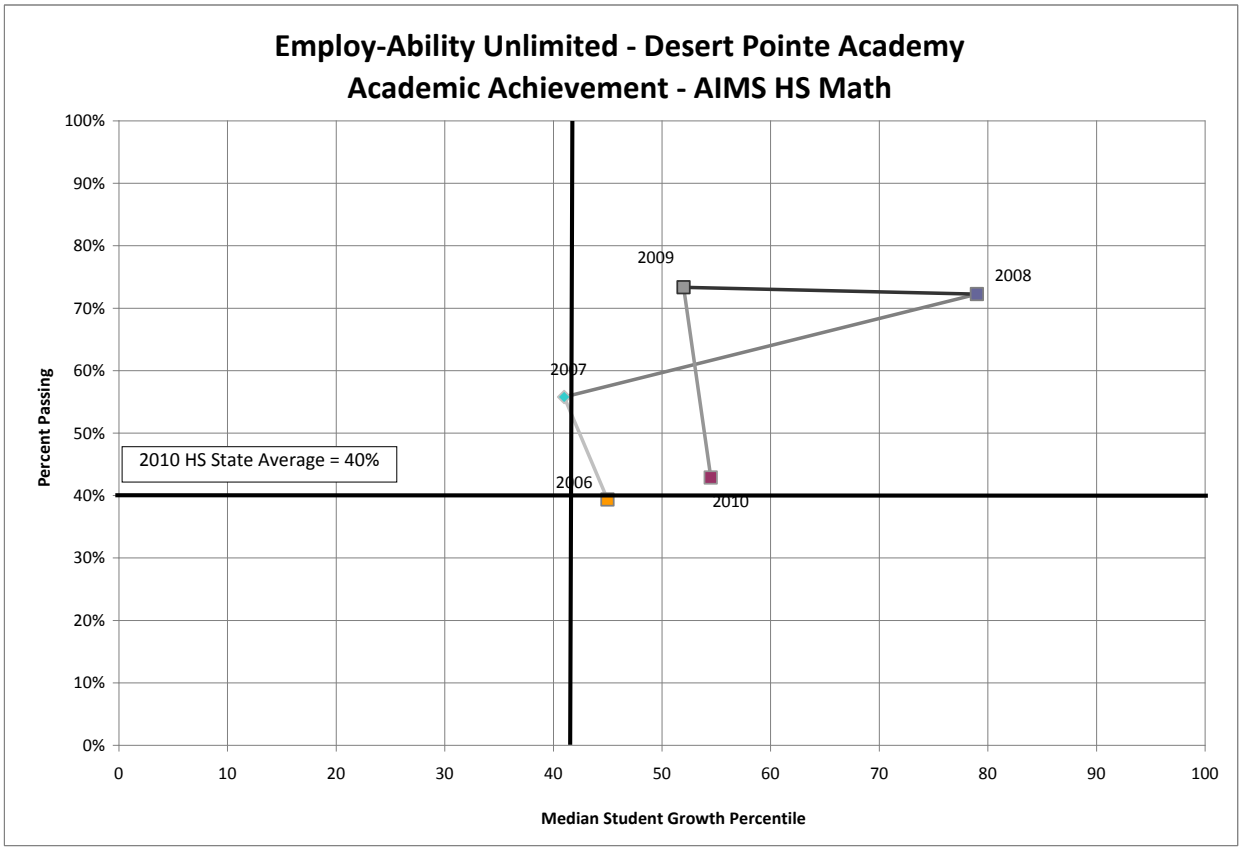
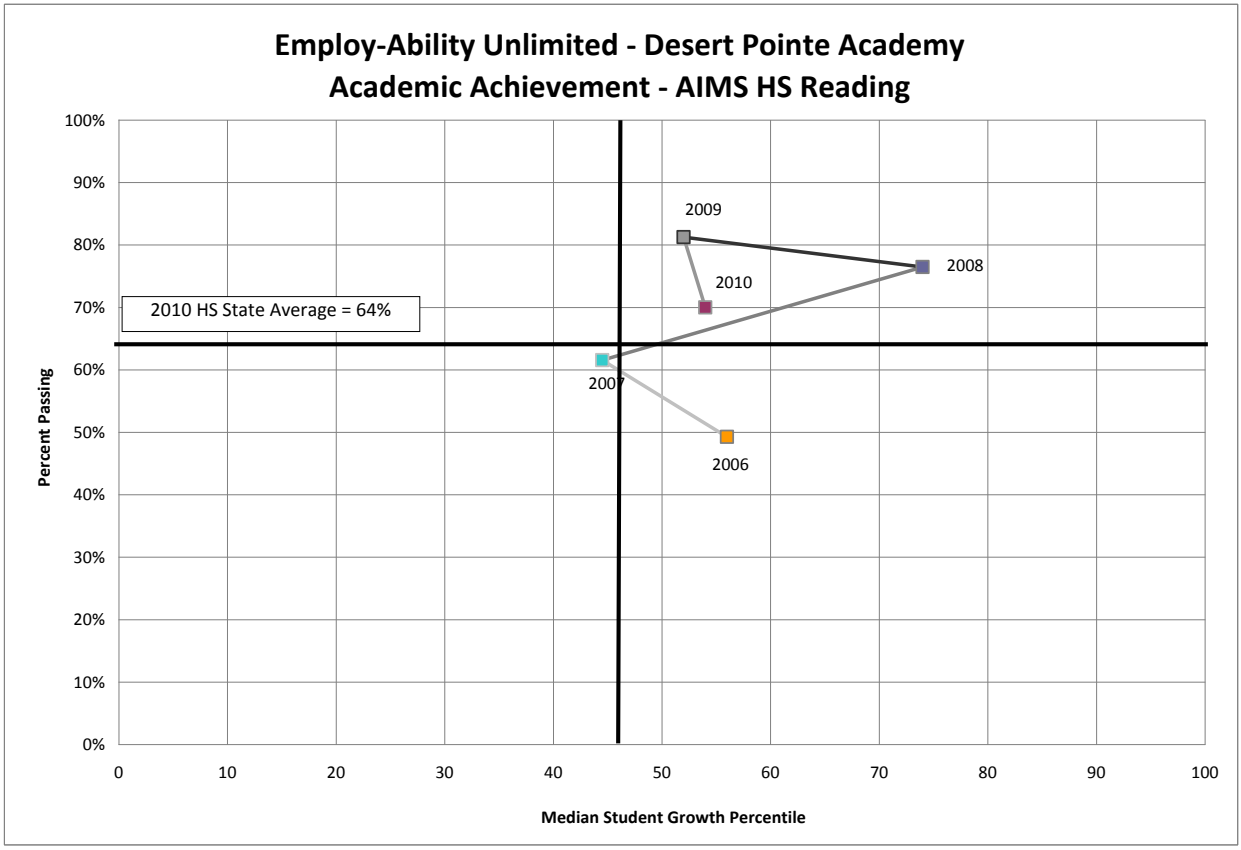

Employ-Ability Unlimited - Copper Canyon Academy
Academic Achievement - AIMS ES Reading
2010 ES State Average = 73%
2010
2009
2007
2006
2008
Percent Passing
Median Student Growth Percentile
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
0
10
20
30
40
50
60
70
80
90
100


Employ-Ability Unlimited - Desert Pointe Academy
Academic Achievement - AIMS HS Math
Percent Passing
Median Student Growth Percentile
2010 HS State Average = 40%
2009
2008
2007
2006
2010
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
0
10
20
30
40
50
60
70
80
90
100


Employ-Ability Unlimited - Desert Pointe Academy
Academic Achievement - AIMS HS Reading
Percent Passing
Median Student Growth Percentile
2010 HS State Average = 64%
2009
2008
2010
2007
2006
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
0
10
20
30
40
50
60
70
80
90
100

I. Success of the Academic Program

The academic performance of the schools 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 Comprehensive Program of Instruction section of the application.

The Performance Management Plan is included in the charter holder's portfolio with the evaluation instrument completed by staff that identified whether the required information provided included a Full Description, a Partial Description, or a Very Limited Description.

II. Viability of the Organization

Neither the charter holder's fiscal year 2009 nor fiscal year 2010 audits identified a going concern or that the charter holder ended the year with negative net assets.

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 February 2006, ADE Academic Achievement Division (ADE/AAD) identified partial and non-compliance items during the On-Site Review of the No Child Left Behind (NCLB) programs. The final compliance issues were reported by ADE as resolved in February 2007.

The fiscal year 2006 audit identified an issue that required a corrective action plan (CAP). Specifically, the audit indicated that for two employees required to have an up-to-date fingerprint clearance card, the school had an expired card on file as of the testing date of October 24, 2006. The charter holder submitted a satisfactory CAP.

Additionally, four of the past five audits have identified repeat issues related to the charter holder not following state procurement laws.[3] In all four years, repeat instances were identified

[1] For more information about the areas of compliance reviewed for this section, please see "Transfer Application FAQs".
[2] For more information about the areas of compliance reviewed for this section, please see "Transfer Application FAQs".
[3] A.R.S. §15-183(E)(6) allows charter school sponsors to grant exceptions from state procurement requirements to the charter schools they sponsor. While the Board has historically granted these exceptions to its schools, the State Board of Education (SBE) has not. Therefore, SBE-sponsored charter schools must follow state procurement laws related to schools.

of the charter holder failing to obtain three written quotes for purchases requiring written quotes be obtained. In fiscal years 2009 and 2010, repeat instances were identified of the charter holder failing to comply with sealed bid requirements. In fiscal year 2009, a repeat instance was identified of the charter holder failing to obtain three oral quotes for purchasing requiring oral quotes be obtained.

C. Charter Holder's Organizational Membership

According to the charter holder, the Officers/Board of Directors provide support and guidance to the schools in the matters of global financial and administrative systems. The Board is based in Kentucky and as such has limited direct impact on the charter's day-to-day operational functions.

The Corporate Board Members are:

Patrick Kelley
Bob Bond
David S. Waskey
David W. Miles

The Governing Board is a local entity and meets on a regular basis, providing specific direction on the operations of the school. Items under the Governing Board's authority include school policies, oversight of the school's financial stability (including authorization of bank accounts), approval of school improvement plans, oversight of the student activities account, and review of annual audit results. The Governing Board also has the final say on student discipline issues that fall outside the normal scope of school activities (i.e. expulsions, long term suspension, etc…), as well as parent complaints/issues that have not been resolved at the operational level.

The complete submission regarding the charter holder's organizational membership is included in the portfolio.

Staff Recommendation

Transfer is based upon consideration of academic, fiscal, legal, and contractual compliance of the charter holder. In this case, there is a record of academic performance that does not currently meet or demonstrate sufficient progress toward the Board's level of adequate academic performance. With that taken into consideration, along with the information in the transfer application package, I move to approve Employ-Ability Unlimited, Inc.'s request for transfer of its charter from the State Board of Education to the Arizona State Board for Charter Schools effective July 1, 2011 with the understanding that continued or additional deficiencies in future performance may negatively impact the Board's decision with regard to any future action taken with this charter.