Franklin Phonetic Primary School, Inc.
Renewal Executive Summary Report

I. Sources of Evidence for this Document

A.R.S. 15-183.I states that "[a] charter school that elects to apply for renewal shall file an application for renewal…which shall include a detailed business plan for the charter school, a review of fiscal audits and academic performance data for the charter school and a review of the current contract between the sponsor and the charter school."

The Arizona State Board for Charter Schools (ASBCS) determined that renewal of a charter is based on affirmative evidence in three areas:

- Success of the academic program, including academic achievement
- Viability of the organization, including fiscal management and compliance
- 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. These sources include:

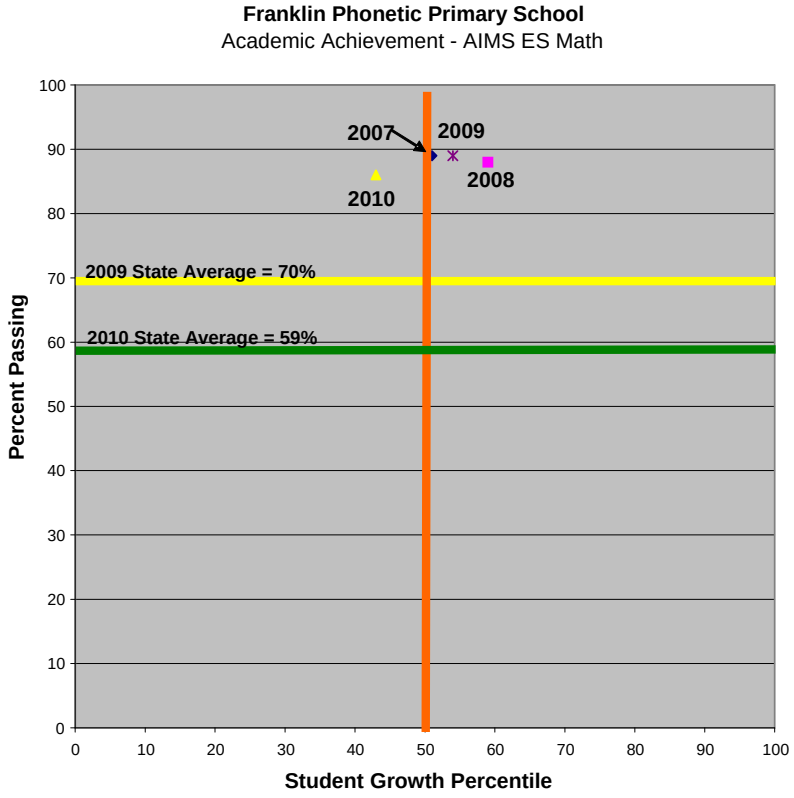
- Written application for renewal
- Student performance data
- Independent financial audits
- Five year interval summary reviews
- Site visit reports
- Monitoring reports

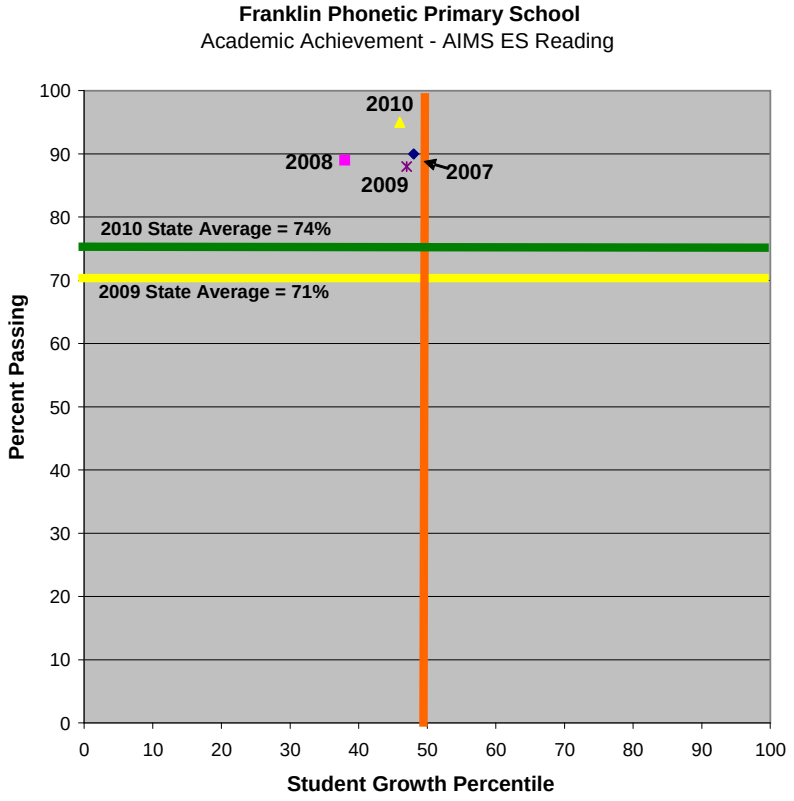
II. School Profile

Franklin Phonetic Primary School, Inc. was granted a charter by the ASBCS effective on August 26, 1996. Franklin Phonetic Primary School, Inc. is a non-profit corporation in good standing with the Arizona Corporation Commission. The charter representative is Cindy Franklin. The school, Franklin Phonetic Primary School, is located in Prescott Valley, serves grades K-8, and had a FY10 100th day ADM of 387.925.

Mission Statement (as provided in the contract):
The mission of the Franklin Phonetic Primary School is to teach all kindergarten, first and possibly second and third grade children how to read spell and express themselves at abilities on or above their chronological grade level. Students will also be able to perform grade appropriate tasks in the areas of math, science, social studies, computer application, art, music, and Spanish. Reading proficiency is the core goal of our curriculum. From this skill most other academic skills are built. We know from experience that ALL children can learn and be successful if they are given sequential logical instruction. To accomplish this goal we use a strong multi-sensory phonics program that has been proven effective in bringing achievement far above grade level. Another school goal is to keep families constantly informed about their child's progress and what is going on at the school. We wish to make parents and teacher partners in education. The school will provide students who are having difficulty with free after school tutoring by qualified specialists. The school strives to insure that all children meet and surpass prescribed grade level expectations. Children will learn to study, behave appropriately and value learning as they are taught in an exciting orderly classroom environment. Another school of the school is to meet the needs of a culturally and economically diverse student body. The school strives to meet the needs of all students and please all families, including those who favor a nontraditional approach to education.

III. Academic Performance





Fiscal Year	AZ LEARNS	Adequate Yearly Progress (AYP)
2010	Excelling	Yes
2009	Excelling	Yes
2008	Excelling	Yes
2007	Excelling	No

IV. Fiscal Compliance

As detailed in the Audit and Fiscal Compliance section of the *Renewal Summary Review*:

- The charter holder has timely submitted its annual audit.
- The fiscal year 2006 and 2008[1] audits each identified an issue which required a corrective action plan.
- No repeat issues were identified.

Franklin Phonetic Primary School, Inc. has received exceptions from the Uniform System of Financial Records for Charter Schools and State procurement regulations.

V. Legal and Contractual Compliance

For the previous five fiscal years –

- The charter holder has failed to timely submit the Annual Financial Report for one or more years.
- The charter holder has timely submitted the Budget.
- All Declarations of Curricular and Instructional Alignment were submitted to the Arizona Department of Education (ADE) in a timely manner with the exception of the Principal's form in 2007.
- The Highly-Qualified Teacher report, updated on July 6, 2010, indicated 28 core teachers with two being reported as non-highly qualified.
- Cycle 2 No Child Left Behind (NCLB) Compliance Monitoring (2007-08), Cycle 1 (2006-07), and Cycle 6 (2006-07) did not meet compliance.
- In 2009 a Corrective Action Plan was required by ADE Exceptional Student Services for noncompliance with the Individuals with Disabilities Education Act (IDEA).

VI. Renewal Application

A. Education Plan

Academic performance of the schools operated by the Charter Holder met the Board's level of adequate academic performance, including status and growth measures, for each of the previous three years. Therefore, the Charter Holder was not required to submit any portion of the academic section of the renewal application.

[1] In the *Renewal Summary Review*, "No CAP Fingerprinting" means that as of the audit firm's testing date, the charter holder was not in compliance with fingerprinting requirements. However, subsequent to the testing date and prior to the audit report's release, the charter holder provided proof of compliance (e.g., a valid fingerprint clearance card) or staff conducted a site visit after reviewing the audit and determined the charter holder was now in compliance.

B. Detailed Business Plan

Organization

The applicant submitted an organizational chart but did not provide a narrative. The organizational chart includes the corporate board, referred to as the Executive Board, the governing board and administrative, office, academic, special education and maintenance levels in the organization. Staff confirmed that while Cindy and Tom Franklin were the founders of the charter school, the corporate/executive board has been increased to six directors, each of whom is a lifetime member of the board.

Sustainability

Fiscal Viability

The application's "Sustainability" section addresses the school's funding sources and mentions the five-year 21st Century grant received for the school's afterschool activities. The charter holder did not provide accounting procedures, the process used in fiscal decision-making or the site-level personnel with fiscal authority as required in the "Sustainability" section of the application.

The fiscal year 2008 and fiscal year 2009, the independent certified public accountant issued an unqualified (or "clean") opinion on Franklin Phonetic Primary School's financial statements. In each fiscal year, the charter holder ended the year with positive net assets. The charter holder did not use the Budget Plan template in the Board's renewal application documents, but rather submitted its own "budget worksheet" covering fiscal years 2011 through 2014. The charter holder's budget worksheet included budget information for fiscal year 2009, rather than actual, and did not include any information for fiscal year 2010. The charter holder indicated that an ADM of 385 was used in developing the budget. According to information obtained from the Arizona Department of Education's website, the charter holder's ADM for fiscal year 2010 is approximately 388. The budget worksheet shows revenues exceeding expenses in all four projected fiscal years. The budget worksheet also includes separate fiscal year 2011 projections based on the sales tax increase passing and the sales tax increase failing.

Strength and Stability of the Governing Body

The school's governing body consists of the corporate board members, the acting Vice Principal(s), a parent representative and a staff representative. As the corporate board members are lifetime appointments, there is no election for these positions. Because the Vice Principal(s) are salaried employees of the school, they may vary in number as needs require. Both the parent representative and staff representative are elected each fall to serve for the school year. Should the need arise, a vacancy in the parent representative or staff representative would be appointed by the president to fill the position for the balance of that school year as reflected in the governing body's bylaws.

The applicant did not provide a description of the governing body's role and responsibilities, include the structures and systems in place for decision-making at the governing body level, or describe the role of the governing body in monitoring the school's academic performance.

Strength and Stability of the Corporate Board

Franklin Phonetic Primary School Corporate Board members:

Cindy A. Franklin, President
Thomas J. Franklin, Vice President/Secretary
Audrey Wright, Treasurer
Melania Acuri, corporate director
Alison Alva, corporate director
Neil Wright, corporate director

These are lifetime appointments. Elections of officers are held at annual meetings. The corporation's bylaws provide for the appointment of an interim officer should the need arise. A permanent officer would then be elected at the next board meeting.

The applicant did not provide a description of the corporate board's role and responsibilities or describe the corporate board's role in monitoring the school's academic performance. The application does state that corporate board officers Tom Franklin and Cindy Franklin serve as Superintendent and Principal of the school. According to the applicant, because the charter holders are actively involved in the school's daily performance, they are directly involved in all decisions effecting academic performance and analysis.

Succession Plan

Charter Holder: Corporate board members are appointed for life. In the event of their resignation or untimely death, the remaining corporate board members would elect new officers and submit application to the Charter School Board for assuming the charter. Day-to-day operations of the school would be assumed by the Vice Principal(s) under contract. The board would retain authority over all major decisions, including renewal of vice principal(s) contracts for additional years.

Instructional Leadership: The succession plan for the school's instructional leadership includes:

- All new teachers must be certified in the state of Arizona and highly qualified under current NCLB guidelines.
- All classroom instructional assistants must have a minimum of 2 years of college education or successfully complete the Praxis Parapro Exam.
- All employees are encouraged to seek further educational training through college courses and/or conferences with continuing educational equivalence.
- Interested teachers are supported, although not identified how in the application package, in pursuing Master's degrees and, where appropriate, to achieve principal certification.

Facilities Plan

The applicant states that there are no plans for expansion in the foreseeable future. The school's current facility includes seven buildings:

- Building 1 houses kindergarten through third grade and includes the campus nurse station.
- Building 2 houses the special education department. An outside entrance leads to the lunchroom area.
- Building 3 is the auditorium and accommodates junior high resource, band, choir and drama, home economic, and when necessary, indoor physical education classes. Students as well as outside artists are invited to perform here.
- Building 4 contains three classrooms and the art lab.
- Building 5 contains two classrooms, the computer lab and library.
- Building 6 is the administration office and three classrooms.
- Building 7 is a workroom for shop classes and maintenance facilities.

VII. Staff Recommendation

Based upon the information in the application, academic performance over the charter term, fiscal compliance, and legal and contractual compliance, I move to approve the renewal application and grant a renewal contract for Franklin Phonetic Primary School, Inc.