Montessori Day Public Schools, Chartered
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

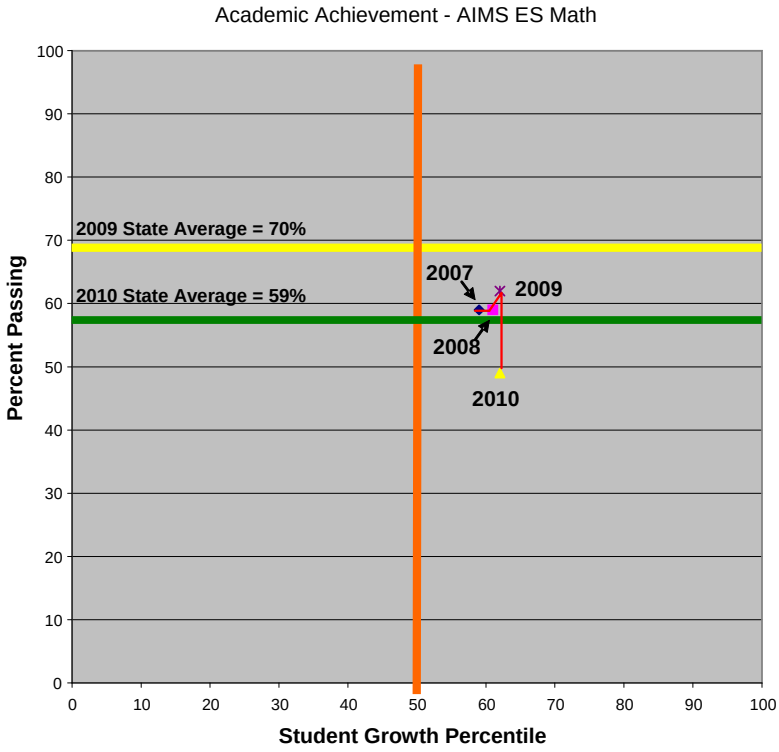
II. School Profile

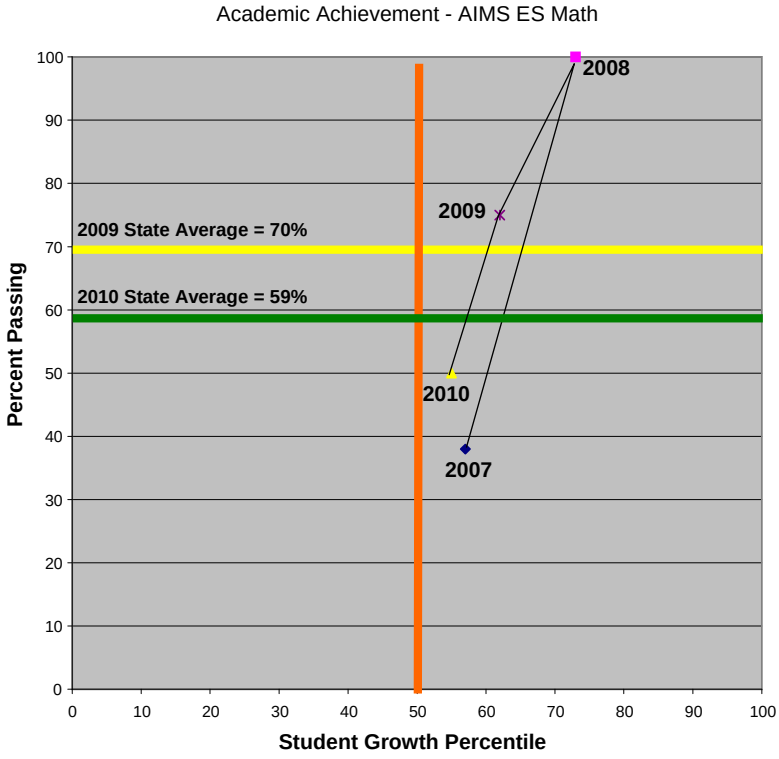
Montessori Day Public Schools, Chartered was granted a charter by the ASBCS, effective on August 24, 1996. Montessori Day Public Schools, Chartered is a non-profit corporation in good standing with the Arizona Corporation Commission. The charter representative is Margaret Huffman. The charter holder operates two schools: Montessori Day Public Schools, Chartered – Mountainside (K-8), located at 9215 N. 14th Street in Phoenix and Montessori Day Public Schools, Chartered – Tempe (K-5), located at 1700 W. Warner Road in Chandler. The total FY10 100th day ADM was 218.879.

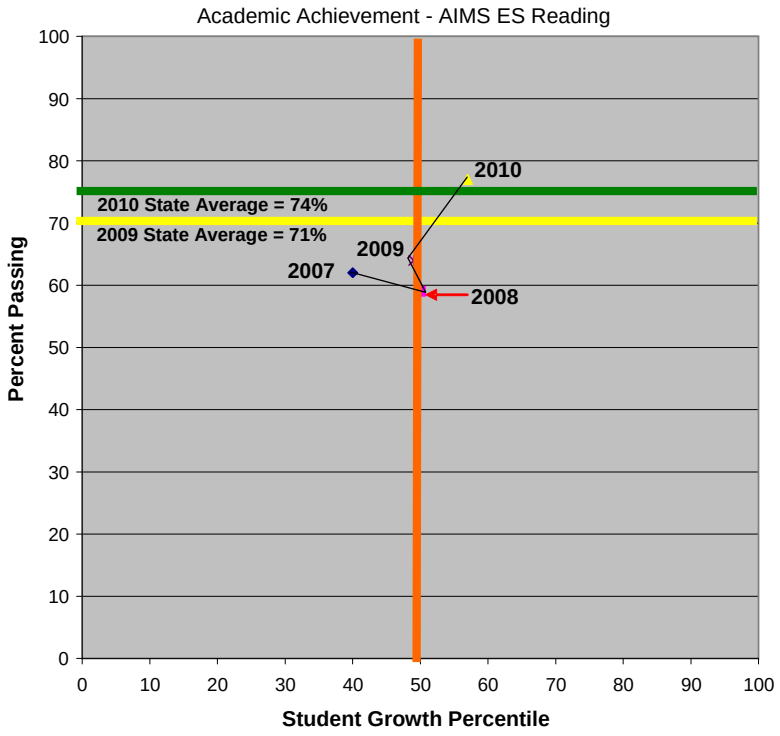
Mission Statement (as provided in the contract):
Montessori Day Public Schools, Chartered ("MDSC") is being established to provide the highest quality education to the children of Arizona of all income levels without regard to race, ethnicity, national origin, gender, disabling, condition, proficiency in the English language, or athletic ability. MDSC focuses on the development of the child as a whole person and provides an environment that (1) is rich in developmentally-appropriate materials; (2) is structured to support the natural development of each child and to enable each child to make choices and experience the consequences of such choices; (3) provides self-paced, individualized instruction, peer

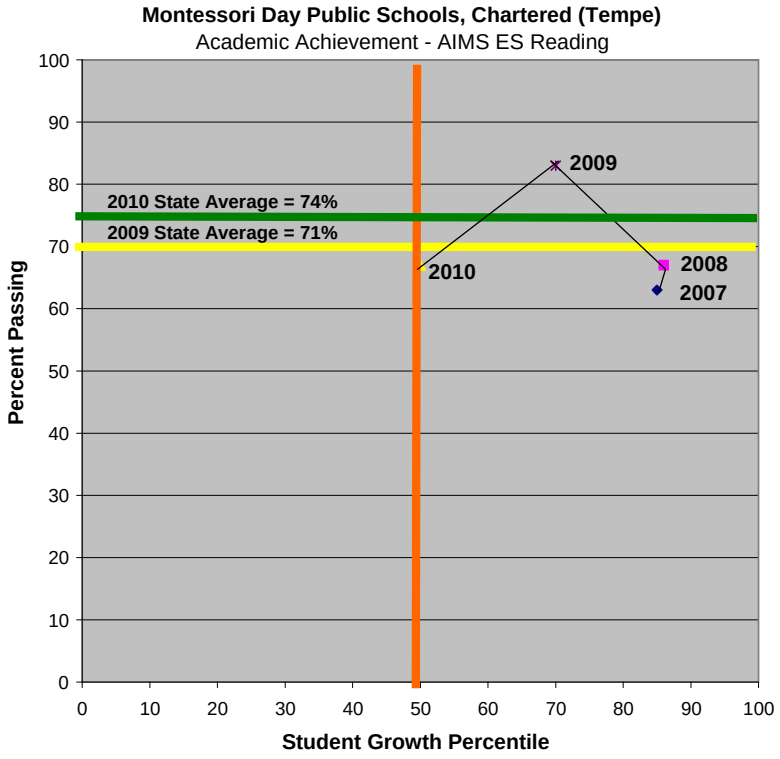
teaching, cooperative learning, multi-age groupings, and an integrated curriculum; and (4) teaches each child independence, helpfulness, personal responsibility, problem-solving skills, and competence.

III. Academic Performance






Academic Achievement - AIMS ES Reading
Percent Passing
Student Growth Percentile
2010 State Average = 74%
2009 State Average = 71%
2010
2009
2007
2008
0
10
20
30
40
50
60
70
80
90
100


Montessori Day Public Schools, Chartered (Tempe)
Academic Achievement - AIMS ES Reading
Percent Passing
Student Growth Percentile
2010 State Average = 74%
2009 State Average = 71%
2009
2010
2008
2007
0
10
20
30
40
50
60
70
80
90
100

Fiscal Year	AZ LEARNS	Adequate Yearly Progress (AYP)
2010	Mountainside: Performing Plus Tempe: Performing	Yes
2007, 2008, & 2009	Mountainside & Tempe: Performing	Yes

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 2005 and 2006 audits each identified an issue which required a corrective action plan.
- No repeat issues were identified.

Montessori Day Public Schools, Chartered 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 timely submitted the Annual Financial Report.
- 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 for 2007 never being received and the Principal's form submitted late in 2008.
- The Highly-Qualified Teacher report, updated on July 6, 2010, indicated all 15 core teachers were highly qualified. ADE sent the charter holder a noncompliance letter for not updating the HQT report on time.
- On May 4, 2010 the ADE Academic Achievement Division conducted an On-Site Review of the Elementary and Secondary Education Act programs and identified findings that were entered into ALEAT for Cycle 4. Cycle 2 No Child Left Behind (NCLB) Compliance Monitoring in 2007-08 and Cycle 6 in 2005-06 did not meet compliance. Cycle 1 in 2006-07 met compliance.

VI. Renewal Application

A. Education Plan

Because the academic performance of the schools operated by the Charter Holder did not meet the Board's level of adequate academic performance, including status and growth measures, for each of the previous three years in both math and reading, the Charter Holder was required to submit an explanation with appropriate data and information to support why the school considers

the progress made to be reasonable. If this applied to more than one school under the same charter, information for each school had to be provided.

The narrative submitted describes the student population served at the schools as well as student achievement status and growth scores. Data from AIMS, AZ LEARNS, AYP, benchmark assessments, and ELL proficiency levels was reviewed by the school and presented in the narrative. Based upon this data analysis, it was determined that percentage gains in reading and math in 2009 exceeded those of the state, reading scores rose above the state average, and math scores remained below the state average. A focus on administering benchmark assessments in all classrooms and tracking and monitoring student progress for the 2010-11 school year has been established.

B. Detailed Business Plan

Organization

The boards of Montessori Day Public Schools, Chartered (MDPSC) and Montessori Day Schools, Inc. (MDS) work closely together with several board members in common. The MDPSC board is responsible for the charter school operations while the MDS board is responsible for the private school operations. The boards set the schools' policy, goals and objectives and ensure that the resources are available to achieve them. Three of the members share attendance at all Parent Council/Committee meetings with the rest available to attend if their expertise will be helpful.

The Board of Directors (BOD) responsibilities include defining the direction of school, setting and/or approving policy, monitoring progress, approving and monitoring budgets, approving audits and monitoring any deficiencies, and monitoring compliance with all regulations.

The Executive Director executes directives from the BOD, sets academic policy, and approves hires. The ED's responsibilities also include operations of the schools, budget compliance, personnel and non-financial state paperwork. The School Directors monitor teacher performance. Their responsibilities also include admissions, special needs, compliance with all regulations, budget compliance, and needs assessments.

The application package includes the responsibilities for the teaching staff and building and grounds personnel. The package also includes an organizational chart that depicts the relationship of entities in the organization as described in the narrative.

Sustainability

Fiscal Viability

Montessori Day Public Schools, Chartered follows GAAP. Fiscal decision making is made at the business office based on budgets. All category budgets are reviewed monthly. Any item or group of common items above $25,000 is approved at the board level. The business office is staffed with a business manager, a part-time CPA, and an administrative assistant. There is no site level spending authority without prior authorization of the business manager.

The application states that the school has "very active parent community support" that provides materials and resource support. Additionally, the school has the backing of The Foundation for Montessori Education with $900,000 in resources and the backing of Montessori Day Schools with $3 million in equity.

For fiscal year 2008 and fiscal year 2009, the independent certified public accountant issued an unqualified (or "clean") opinion on Montessori Day Public Schools, Chartered's financial statements. In each fiscal year, the charter holder ended the year with negative net assets. However, in fiscal year 2009, the charter holder's ending net assets improved from (-$50,023) at the beginning of the year to (-$7,568) at the end. In its application, the charter holder mentions $300,000 in available funds. The Budget Plan submitted as part of the renewal application projects expenses exceeding revenues in fiscal years 2010 through 2012. Limited assumptions were included in the Budget Plan. The ADM used for the projections was not provided. Based on information obtained from the Arizona Department of Education's website, the charter holder is currently being funded on an ADM of approximately 219. It appears that the fiscal year 2011 projection includes known cuts to state funding. However, since an ADM was not provided, it is not known for certain.

Strength and Stability of the Governing Body
Strength and Stability of the Corporate Board

The governing body and the corporate board are the same for Montessori Day Public Schools, Chartered (MDPSC). According to the applicant, the charter holder's responsibilities include providing the resources to create an effective community of teachers and learners, providing the emphases on long-term basic learning to create in each child the foundation upon which all future development occurs, while meeting the needs of the child, developing and monitoring the process upon which group and individual learning progress can be measured, and promoting and implementing those actions which strengthen the process, and providing the appropriate resources. The Executive Director is also the chairman of the MDPSC board and has ultimate responsibility for the governance of the school.

Montessori Day Public Schools, Chartered Corporate Board members:

Margaret "Peg" Huffman
Edgar Huffman
Dr. Rayma Ditson-Sommer
Patricia Freeman

Additional information regarding the educational background and expertise of each board member is provided in the Governing Body section of the application package.

According to the applicant, the MDPSC board has been stable for many years with no new members added. If a new member were to be added, the member would be trained by existing members and school employees on board responsibilities, Open Meeting Law, fingerprinting and other legal requirements.

At the board meetings, the board reviews the school's current status, including not only the academic performance, but the financial condition, enrollment trends, discipline issues, new

programs and changes to existing programs. Academic progress is evaluated by test scores, AYP, attainments of students and former students, and parent feedback. The board then acts on personnel and fiscal support issues to achieve desired results.

Succession Plan

Charter Holder: Montessori Day Public Schools, Chartered relies upon Montessori Day Schools (MDS) for management, staff and facilities. MDS has identified, invested and trained individuals and trained the identified individuals to step into key positions. There are five key positions in the organization. Three positions have a current employee ready to step in, one position has an individual in training, and the final position candidate has yet to be identified.

Instructional Leadership: Teachers with exceptional, demonstrated abilities and results become mentors for other staff and participate on the Administrative Team. Montessori Day Public Schools, Chartered, with help from the Foundation for Montessori, allocates 2-1/2 percent of revenues for professional development, tuition grants for university classes, support for Montessori training and certifications, fees paid and time off for state sponsored training programs, cost of experts in areas of need to provide in-service sessions, and support for needed endorsements.

Incentive pay comprises about 10% of the average teacher's pay and is based on school performance, group performance, individual student progress, leadership and mentoring skills, parent and student feedback, and attitude.

The applicant states that the standard for hiring includes holding a Bachelor of Arts degree and Montessori certification, as well as scoring on interview questions and observations, references, classroom experience, classroom management skills, professionalism, motivation, future potential, and stability.

Facilities Plan

Montessori Day Public Schools, Chartered (MDPSC) currently has two campuses. The Mountainside campus is located at 14th Street and Mission Lane, which is in the Sunnyslope neighborhood of north Phoenix. The Tempe/Lakeshore campus is located on Warner Road in Chandler. The buildings and land at both campuses are owned by Montessori Day Schools (MDS). Both campuses have programs run by the charter school for grades kindergarten through eight and programs run by the private school for preschool-age children.

It is the intention of the applicant to continue to operate the charter school at both locations and not to expand to new locations. Both locations have available space for some expansion. MDPSC does not anticipate expanding enrollments beyond the capacity of the Mountainside campus. If enrollments increase to exceed the capacity of the Lakeshore campus, an additional building may be constructed at MDS expense.

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 Montessori Day Public Schools, Chartered.