Montessori Education Centre Charter School
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 Education Centre Charter School was granted a charter by the ASBCS effective on the first day of the operation of the school which was August 1, 1996. Montessori Education Centre Charter School is a non-profit in good standing with the Arizona Corporation Commission. The charter representative is Tammy Whiting. Montessori Education Centre Charter School operates two K-9 schools; Mesa campus and North campus. Both campuses are located in Mesa. The total FY10 ADM was 391.980.

Mission Statement:
Montessori Education Centre Charter School (MEC) is a Montessori Primary, Elementary and Secondary program serving children in the Mesa, Arizona area. MEC is committed to the development of the whole child. We provide our students a well-rounded, individualized educational experience that is grounded in Montessori Principles. We are committed to nurturing the love of learning and improving academic performance. We strive to empower our students to live their lives as contributors to society and as compassionate citizens who are committed stewards of the earth.

III. Academic Performance

MEC - Mesa		
Fiscal Year	**AZ LEARNS**	**Adequate Yearly Progress (AYP)**
2009	Excelling	Yes
2008	Highly Performing	Yes
2007	Highly Performing	No

Status Scores	**2009**	**2008**	**2007**
Reading	92	86	92
Math	91	88	89
% of students school-wide who passed AIMS.			

Student Growth Percentile (SGP)	**2009**	**2008**	**2007**
Reading	60	63	65
Math	75	58	45
% of students demonstrating typical growth compared to similar students.			

MEC - North Campus		
Fiscal Year	**AZ LEARNS**	**Adequate Yearly Progress (AYP)**
2009	Performing	Yes
2008	Performing Plus	Yes
2007	Highly Performing	Yes

Status Scores	**2009**	**2008**	**2007**
Reading	65	73	78
Math	54	64	68
% of students school-wide who passed AIMS.			

Student Growth Percentile (SGP)	2009	2008	2007
Reading	43	54	46
Math	27	50	35
% of students demonstrating typical growth compared to similar students.			

IV. Fiscal Compliance

The charter holder has timely submitted the annual audit for the past five years. For the same five fiscal years, only the fiscal year 2008 audit identified an issue requiring a corrective action plan. No repeat issues were identified.

Montessori Education Centre Charter School has received exceptions from the Uniform System of Financial Records for Charter Schools and State procurement regulations.

V. Legal and Contractual Compliance

With the exception of fiscal year 2006, the charter holder has timely submitted its Annual Financial Report for the past five years. The Budget has been timely submitted for the past five years. All Declarations were submitted to the Arizona Department of Education (ADE) in a timely manner. The Highly-Qualified Teacher report, updated on September 2, 2009, indicated 18 core teachers with two being reported as non-highly qualified. In 2008 noncompliance with the Individuals with Disabilities Education Act (IDEA) was determined by ADE Exceptional Student Services. A Corrective Action Plan met minimum compliance in February, 2009. A Five-Year Interval Review by ASBCS took place in 2006.

VI. Renewal Application

A. Education Plan

The Charter Holder was required to submit a Performance Management Plan in the academic section of the renewal application.

The introductory narrative for the Performance Management Plan describes the process the school community undertook for data examination and analysis. Data reviewed included AIMS results. Based upon the data analysis, the school determined to focus the plan on continuing improvement efforts for the math academic program to include curriculum alignment and comprehensive assessments.

Indicator: **Math**
Duration of the Plan: May, 2010 – May, 2014

Strategies:

Teacher Quality
Alignment
Assessment
Accountability
Balanced Instruction

ANNUAL BENCHMARK TARGETS:

CURRENT STATE	Year 1 2010-2011	Year 2 2011-2012	Year 3 2012-2013	Year 4 2013-2014	Target For This Plan
25 MGP overall in math for 4th-6th grade	30 MGP overall in math for 4th - 6th grade	35 MGP overall in math for 4th - 6th grade	40 MGP overall in math for 4th - 6th grade	45 MGP overall in math for 4th - 6th grade	45 MGP overall in math for 4th - 6th grade by 2014
Lack of authentic growth assessment in 4th - 6th grade math	Established Growth Assessment Program (GAP) in both 4th - 6th grade classrooms	At least 50% usage of GAP elements in both 4th - 6th grade classrooms	100 % of GAP elements established, confirmed in use, and reviewed in 100 % of 4th - 6th grade classrooms		Authentic assessment practices implemented in 100% of 4th-6th grade classrooms at MEC-North over three years and reviewed periodically

In the Performance Management Plan Montessori Education Centre-North Campus scored 27 points out of a possible 40 points. Seventy percent of the sections scored at Meets or Exceeds level.

B. Detailed Business Plan

Organization

Montessori Education Centre Charter School has three basic levels of management. The first level includes board of directors, which serves as both the corporate board and governing body. The second level is the district administrator, who is a voting member of the board, and is responsible for working closely with the board to implement the policies adopted by the board. The district administrator retains responsibility for all aspects of the school including execution of the instructional program, operation and maintenance of all facilities, school/community relations, and the business affairs of the school. The third level includes the faculty/staff advisor and the principals. The faculty/staff advisor is responsible for curriculum development, instructional staff evaluation and professional development, and the systematic assessment and monitoring of student achievement. Among their responsibilities, the principals hire teachers and assistants, handle Classroom Site Fund goal setting and complete annual, campus-wide staff evaluations.

Sustainability

Fiscal Viability

As required in its contract, Montessori Education Centre Charter School follows generally accepted accounting principles. The district administrator compares actual budget to actual year-to-date income/expenditure reports and monitors enrollment and other revenue sources closely to determine if cash flow will be negatively impacted and if budget adjustments are necessary. The board of directors also reviews the school's profit/loss statement and a detailed report of expenditures at each board meeting. Finances are centralized with the majority of decisions made by the district administrator.

For fiscal year 2008 and fiscal year 2009, the independent certified public accountant issued an unqualified (or "clean") opinion on Montessori Education Centre Charter School's financial statements. In each fiscal year, the charter holder ended the year with negative net assets. Montessori Education Centre began fiscal year 2008 with net assets of $653 and ended the year with net assets of (-$13,955). The charter holder ended fiscal year 2009 with net assets of (-$24,461). Based on this, the charter holder's fiscal year 2009 financial statements were prepared assuming the organization will continue as a going concern.[1] In response to these net losses, according to its renewal application, Montessori Education Centre developed a budget plan intended to eliminate losses in fiscal year 2010 and begin to rebuild the school's net assets to a positive position. Specifically, the charter holder was able to identify $50,000 in budget cuts, primarily through salary reductions. The charter holder has also eliminated $30,000 in prior debt. The Budget Plan submitted as part of the renewal application indicates that while expenditures are expected to exceed revenues in two of the three fiscal years projected, the charter holder will end each fiscal year with positive net assets. According to the assumptions provided, state equalization assistance for fiscal years 2011 and 2012 is based upon the Office of Strategic Planning and Budgeting's estimates should the sales-tax increase fail.

Strength and Stability of the Governing Body

Strength and Stability of the Corporate Board

The board of directors of Montessori Education Centre Charter School and the governing board are the same. Members are listed below. For more information on the members' backgrounds, please see the Strength and Stability of the Governing Body section of the application.

Montessori Education Centre School Board of Directors members:

Tammy Whiting
Johna Martinez
Laura Davis
Marilise Hazime

The organization seeks to recruit members that have an interest and stake in the school's success. As such, most members are recruited from the parent community and school team members. The board also seeks members who have expertise to enhance the board's breadth of capability. For

[1] "Going concern" is the idea that an organization will continue to engage in its activities for the foreseeable future. If the auditor doubts that the organization will exist for at least the next year, the audit opinion would include a paragraph explaining this concern, as was the case with Montessori Education Centre Charter School.

example, the board has recognized the need for a member with financial acumen and is currently discussing the candidacy of a member to fill that role.

The board's specific duties include: upholding the mission statement, as well as the school's philosophy and objectives, when implementing policy; establishing policies for the principals' operation of the schools, as well as ensuring that provision of the corporation's Articles of Incorporation, Bylaws, the charter and other contracts or agreements are being followed; establishing fiscal policy; periodic observations and evaluations of each campus, taking into consideration the school's philosophy and goals as stated in the mission statement; and selecting a new district administrator or principal, when necessary.

The board determines the academic goals for Montessori Education Centre after annually reviewing the results of the AIMS tests, AYP and AZ LEARNS. With the information that will be provided through the Arizona Charter School Association concerning the growth of each student, the board will evaluate academic preparedness. The faculty/staff advisor will also give the board an update on school-wide implementation processes of the Montessori curriculum and assessment results used throughout the year. These reports will include the status of any performance management plan's progress. If the board identifies a weakness through evaluation of the above information, recommendations will be made to correct the weakness through supplementary training and support materials, as appropriate.

Succession Plan

Charter Holder: When a director resigns, the board president solicits requests for nominations of qualified individuals from the directors and key staff members. The pool of candidates is typically drawn from stakeholders in the school such as teachers, community partners and parents. Once nominations are submitted, the board president interviews the candidates to determine their willingness and ability to fulfill the responsibilities of board membership. The board president also ensures the candidate's commitment to the mission of the school, the Montessori program and other curriculum as approved by the board, and the charter school concept.

Instructional Leadership: The charter holder has established plans, which are described in detail in the application, for replacing members of the leadership team. The leadership team includes the district administrator, faculty/staff advisor, and school principals. In order to provide for qualified candidates to fill Leadership Team and other positions at the school, the application states a leadership pipeline exists in the form of an evolving, committed instructional team. Continuity of the instructional team is protected by requiring all teachers to be Montessori trained, to serve as a student teacher for one year in a Montessori Education Centre classroom and to participate in the school's mentoring program that pairs new teachers with veteran teachers to impart knowledge gained through experience. Once in place, teachers must undertake 12 hours of additional professional training annually.

Facilities Plan

The school has no plans to re-locate or remodel its existing buildings or expand at this time.

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 Education Centre Charter School.