Presidio 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

Presidio School was granted a charter by the State Board of Education, effective on the first day of the operation of the school which was June 17, 1996. Presidio School is a non-profit in good standing with the Arizona Corporation Commission. The charter was transferred to the Arizona State Board for Charter Schools on June 19, 2000. The charter representative is Thomas Drexel. The school, Presidio High School, is located at 1695 E. Ft. Lowell in Tucson, serves K-12, and had a FY10 ADM of 296.545.

Mission Statement:
To offer homeless adjudicated and otherwise troubled youth who have experienced chronic academic school failure with an individualized course of instruction that not only focuses upon academic correction and remediation but engenders self worth and prepares then for a productive future. In addition to a positive and structured school climate, the Presidio School will work partnership with experienced community based agencies to ensure that each student has the best possible living situation as well as supportive services and case management assistance. As part of the academic program student will participate in life skills training career counseling employability skills training career counseling employability skills training and when appropriate vocational skills training and or on the job training. Following satisfactory completion of an

individualized academic program leading to graduation, students will be assisted in obtain employment and or higher education.

III. Academic Performance

Fiscal Year	AZ LEARNS	Adequate Yearly Progress (AYP)
2009	Highly Performing	No
2008	Performing Plus	Yes
2007	Performing Plus	Yes

Status Scores	2009	2008	2007
Elementary School Reading	94	81	89
Elementary School Math	87	70	85
High School Reading	90	79	60
High School Math	74	81	44
% of students school-wide who passed AIMS.			

Student Growth Percentile (SGP)	2009	2008	2007
Reading	52	48	64
Math	64	50	60
% of students demonstrating typical growth compared to similar students.			

IV. Fiscal Compliance

With the exception of fiscal year 2005, the charter holder has timely submitted the annual audit for the past five years. For the same five years, the audits revealed no audit issues requiring a corrective action plan and no repeat issues were identified.

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

V. Legal and Contractual Compliance

The charter holder has timely submitted its Annual Financial Report and Budget 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 May 10, 2010, indicated 39 core teachers with one being reported as non-highly qualified. Cycle 5 NCLB Compliance Monitoring occurred in 2004-05, Cycle 6 in 2005-06, Cycle 1 in 06-07, and Cycle 2 in 07-08. Compliance was met for all cycles with the exception of Cycle 1 which required a few corrections. In 2010 compliance with an on-site review of the Elementary and Secondary Education Act, Johnson-O-Malley, Neglected and Delinquent, and Migrant programs were determined to be in compliance by ADE, Academic Achievement Division. A Five-Year Interval Review by ASBCS took place in 2006.

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.

B. Detailed Business Plan

Organization

Presidio School operates as a not for profit 501(c)(3) corporation and the corporate board of the corporation also serves as the governing board of Presidio School. The Presidio School Board of Directors has responsibility for all policy, fiscal and operational decisions for the school and ultimate authority over the school. The governing board is responsible for the establishment of values, vision, mission, goals, resource development, fiscal management and financial accountability, operational policy, strategic direction based upon on-going assessment of all aspects of the educational program and its implementation, and leadership development to ensure that the school has effective leadership for today and the future.

The day-to-day management and implementation of the Board's strategic plan is delegated to two board members who also serve as the Co-Principals of Presidio School. They are tasked with ensuring resources are being effectively applied to meet the school's mission.

The application includes a graphic representation of the organizational structure.

Sustainability

Fiscal Viability

Presidio School did not provide a narrative specific to the organization's fiscal viability. However, in Part 3 of the Strength and Stability of the Governing Body section of the application, the charter holder stated that the Presidio School governing board conducts all business according to the Uniform System of Financial Records for Charter Schools. The governing board is responsible for the development of a budget based on academic progress goals and other previously established board priorities that do not risk financial jeopardy or fail to be derived from a multi-year plan. The governing board's responsibilities also include monitoring of budget implementation through monthly financial reports and quarterly profit and loss statements, monitoring and approval of monthly expenditures, and provision of oversight to the daily fiscal operations assigned to the directors and other fiscal management staff. According to the Organization Chart narrative, one of the co-principals' duties includes developing and implementing the board approved school budgets with the assistance of the financial services director and business manager.

For fiscal year 2008 and fiscal year 2009, the independent certified public accountant issued an unqualified (or "clean") opinion on Presidio School's financial statements. In each fiscal year, the charter holder ended the year with positive net assets. However, the two audits showed annual declines in net assets from $1,685,691 at the beginning of fiscal year 2008 to $1,414,939 at the end of fiscal year 2009. In fiscal year 2009, according to the audit, Presidio School's expenditures exceeded revenue by $234,963. Also, during fiscal year 2009, the audit indicates Presidio School spent more than $650,000 on the purchase of property and equipment. It is unclear what, if any, relationship there is between these two items as this was not addressed in the application. The Budget Plan submitted as part of the renewal application indicates that Presidio School's ending net assets will increase between fiscal year 2010 and fiscal year 2012. The charter holder anticipates growth in its ADM. No assumptions were included in the submitted Budget Plan.

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

The Presidio School Board of Directors serves as both the charter holder and the governing board. The current Presidio School Board of Directors has been in place since 1998 and has a strong commitment to the school and its expansion to serve other communities. The charter holder or the 501(c)(3) corporation has responsibility for all policy, fiscal and operational decisions for the school and ultimate authority over the school. The governing board is responsible for the establishment of values, vision, mission, goals, resource development, fiscal management and financial accountability, operational policy, strategic direction based upon on-going assessment of all aspects of the educational program and its implementation, and leadership development.

Presidio School Board of Directors:

George Barnett – President
Terry Garza – Vice President
Tom Drexel – Secretary
Ruben Suarez - Treasurer
Martin Carrillo – Member

More detailed information regarding the board members' experience and expertise is included in the application.

Succession Plan

Charter Holder: A plan is in place to ensure that a sufficient number of board members would serve in the event more than one member leaves so that the board will still be able to continue in an emergency. In addition to the existing board, associate board members have been selected. Associate board members are chosen based upon various areas of expertise including current skill needs but also future needs. Associate board members attend board meetings, serve in an advisory capacity, and are provided with the same professional development as standing board members.

The application states that, given the board's responsibility for the academic success of each child and the school as a whole, all board members now and in the future will need to understand the use of educational outcome measures in order to set realistic academic benchmarks and monitor students' progress.

Instructional Leadership: An important component of the school's succession plan is operating with co-directors. The co-directors have both distinct and shared duties, but are cross-trained so that either can complete the job of the other. This allows for the school to function at its full capacity should one of the directors be gone from the school for an abbreviated time, extended time or permanently.

According to the application, the continued viability of the school is dependent upon growing leaders from within. The school is and will continue to identify teachers with leadership potential, provide them with pertinent professional development, and prepare them to replace one of the directors should it be needed. The application also includes information on the school's approach to hiring, recruiting, and retaining highly qualified staff.

Facilities Plan

Presidio has just undergone a major facilities upgrade, adding six new classrooms and a cafeteria. There are currently no plans for expansion.

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 Presidio School.