South Pointe Public Charter Junior High 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

South Pointe Public Charter Junior High School was granted a charter by ASBCS, effective on the first day of operation of the school which was June 17, 1996. South Pointe Public Charter Junior High School is a non-profit in good standing with the Arizona Corporation Commission. The charter representatives are Ms. Michele Kaye and Dr. William Coats. The school, also named South Pointe Junior High School, is an alternative school located at 217 E. Olympia Drive in Phoenix, serves 6th-8th, and had a FY10 ADM of 206.716. While the school is an Arizona based non profit corporation, it is not a 501(c)(3). Originally, the charter operated Sun Valley Middle School in Mesa. In FY 2005, the school was designated as Underperforming and required to submit an Arizona School Improvement Plan to the Arizona Department of Education. Although the school met AYP requirements and earned a Performing label, the school's enrollment was low and the Board approved a one-year suspension of the charter on September 11, 2006. The school reopened in FY 2008 as South Pointe Junior High School and served grades 7-8. In FY 2010, the school added sixth grade.

Mission Statement:
The mission of Sun Valley Middle School is to help all students develop basic skills, understanding and attitudes necessary to become productive citizens. We accomplish this

through an integrated approach using curriculum aligned to the Arizona State Standard and relevant instruction. The school serves young people for whom traditional schools have not been effective and predictably will not be in the future. As such, essentially all students meet one or more of Arizona's definitions for an alternative school. That is, they have behavioral issues, have dropped out or are likely to drop out, are pregnant or parenting, have a history of academic failure or have been adjudicated. It is the specific mission of the school to serve such students.

III. Academic Performance

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

Status Scores	2009	2008	2007
Reading	38	36	-
Math	34	21	-
% of students school-wide who passed AIMS.			

Student Growth Percentile (SGP)	2009	2008	2007
Reading	36	42	-
Math	24	43	-
% of students demonstrating typical growth compared to similar students.			

IV. Fiscal Compliance

The charter holder has timely submitted the annual audit. The charter holder suspended operations during fiscal year 2007, so an audit was not required. For the four years, the audits revealed no audit issues requiring a corrective action plan and no repeat issues were identified.

South Pointe Public Charter Junior High 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 (AFR). The charter holder suspended operations during fiscal year 2007, so an AFR was not required. Except for fiscal year

2008, the charter has timely submitted its Budget for the past five years. All Declarations were submitted to the Arizona Department of Education in a timely manner. The Highly-Qualified Teacher report, updated on September 10, 2009, indicated 10 core teachers with one being reported as non-highly qualified. 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. Previously, the charter had a different school that closed in FY 2006. A new school, in a different target market from the previous school, was opened in FY 2008 which resulted in only two years of data for analysis. Data reviewed included AIMS results, Galileo-ATI benchmark data in reading and math, AYP determinations and AZ LEARNS profiles, Lexile grade level equivalency results, and reading and math growth index levels for seventh and eighth grade students. Based upon the data analysis, the school determined to focus the plan on continuing improvement efforts for school-wide reading and building a solid intervention plan for improvement in math at all grade levels.

Indicator: **Math**
Duration of the Plan: April 1, 2010 – June 30, 2013
Strategies:
- Data-driven Decision Making
- Data-driven Instruction
- Response to Intervention Program

ANNUAL BENCHMARK TARGETS for students attending the school for a full academic year:

CURRENT STATE	Year 1	Year 2	Year 3	Target For This Plan
% Meet/Exceed on AIMS Math Scores As of AIMS Data 2009: 6th-N/A 7th-39% 8th-29%	By 2011 % Meet/Exceed on AIMS Math Scores 6th-45% 7th-48% 8th-46%	By 2012 % Meet/Exceed on AIMS Math Scores 6th-50% 7th-53% 8th-51%	By 2013 % Meet/Exceed on AIMS Math Scores 6th -55% 7th- 58% 8th-56%	By 2013 % Meet/Exceed on AIMS Math Scores 6th-55% 7th-58% 8th-56%

Indicator: **Reading**
Duration of the Plan: April 1, 2010 – June 30, 2013
Strategies:
- Data-driven Decision Making
- School-wide Reading as a Focus Area
- Data-driven Instruction

Response to Intervention Program

ANNUAL BENCHMARK TARGETS for students attending the school for a full academic year:

CURRENT STATE	Year 1	Year 2	Year 3	Target For This Plan
% Meet/Exceed on AIMS Reading Scores, As of AIMS Data 2009: 6th-N/A 7th-41% 8th-41%	By 2011 % Meet/Exceed on AIMS Reading Scores 6th-48% 7th-54% 8th-50%	By 2012 % Meet/Exceed on AIMS Reading Scores 6th-53% 7th-59% 8th-55%	By 2013 % Meet/Exceed on AIMS Reading Scores 6th-58% 7th-64% 8th-60%	By 2013 % Meet/Exceed on AIMS Reading Scores 6th-58% 7th-64% 8th-60%

In the Performance Management Plan South Pointe Junior High School 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

The application included an organizational chart as well as a narrative to explain the operations and management structure. The chart graphically illustrates both the reporting structure as well as the flow of communication from the corporate level to the school level. The chief operating officer reports and communicates directly with the board on the major developments, accomplishments and issues pertaining to South Pointe Junior High School. The chief operating officer is responsible for overseeing the overall operation of the school including all financial, human resource, academic, building and maintenance, technology, marketing and community relations.

The chief financial officer, vice president of human resources and vice president of academic support services all report to the chief operating officer. The school leader reports directly to the chief operating officer. The school leader provides the governing board with updates, reports and other information pertinent to the operations and status of the school. The school leader also has the ability to communicate directly with the CFO and VP's when dealing with specific specialized issues. If any issues arise at the school and cannot be resolved at the site level, all parties involved may move directly to the next level of administration in the organization, including the governing board.

Sustainability

Fiscal Viability

The director of budget and finance, the school leader and the chief operating officer develop a draft budget, which is then submitted to the board for its approval. The accounting team is responsible for processing all purchasing and payments to vendors in accordance with the approved budget and for preparing monthly financial reports to monitor expenses against the budget. The chief operating officer, chief financial officer and the school leader review these reports on a monthly basis and, if necessary, make adjustments to the budget. At the site level, the school leader has fiscal authority over the budget.

For fiscal year 2008 and fiscal year 2009, the independent certified public accountant issued an unqualified (or "clean") opinion on South Pointe Public Charter Junior High School's financial statements. In each fiscal year, the charter holder ended the year with negative net assets. South Pointe Public Charter Junior High School began fiscal year 2008 with net assets of $9,258 and ended the year with net assets of (-$422). The charter holder ended fiscal year 2009 with net assets of (-$24,076). The Budget Plan submitted as part of the renewal application indicates that between fiscal years 2010 and 2012 revenues will annually exceed expenditures by amounts ranging from $4,353 to $1. The charter holder anticipates growth in its ADM. No assumptions were included in the submitted Budget Plan.[1]

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

The charter holder of South Pointe Junior High School is the same as the school's governing body. The Chief Executive Officer and sole member of the corporate board is Dr. William Coats. Dr. Coats is a lifelong educator and the founder and CEO of The Leona Group, an educational management company. He currently oversees more than sixty charter schools in five states. According to the application, the charter holder's primary responsibility is to establish and maintain a governing body that is responsible for the policy decisions of South Pointe Junior High School.

The charter holder, as part of South Pointe Junior High School's team, assumes an active role when monitoring the school's academic progress and performance. Each quarter, South Pointe Junior High School leadership team, the charter holder (and governing board) as well as key directors from The Leona Group Management Company, meet to monitor and review progress toward the school's academic performance plan. The charter holder examines data and determines what areas are on target, what areas are falling behind and what follow up is needed as related to academic performance. Annually, the governing board evaluates and measures the academic performance plan. At this meeting, data on the goals is analyzed and used to evaluate the effectiveness of the plan as well as measure and make adjustments to the plan.

<u>Succession Plan</u>
Charter Holder: The governing documents provide a comprehensive plan for the succession of governing authority of the charter holder. The member of the charter holder has the authority, at any time, to appoint, remove and replace the members of the charter holder board and will exercise that authority upon the occurrence of a vacancy within the charter holder board, arising due to the retirement, resignation, death or other circumstances. In accordance with the terms and conditions of the management agreement, the Leona Group Management Company oversees the

[1] As part of its application, South Pointe Public Charter Junior High School submitted the standard Budget Plan instead of the performance management plan (PMP) Budget Plan. The charter holder did submit the month-by-month projection required of charters holders with PMPs. Even though the PMPs submitted by the charter holder include PMP-specific expenses, all expenses – PMP and non-PMP – are reported together in the documents provided. In reviewing the month-by-month projection for fiscal year 2011, please note that under the State's new payment schedule, charter holders will not receive a July 2010 state equalization assistance payment, but will receive two payments in June 2011. Additionally, please note that while the amount of State Equalization Assistance received in fiscal year 2011 is consistent, the Budget Plan and month-by-month projection indicate different ADMs were used.

business operations on behalf of the charter holder board in accordance with the policies established and the authorities delegated by the charter holder board.

As an Arizona corporation, the member has perpetual existence and exercises its authority through its duly appointed board of directors and officers. The shareholders of the member appoint the member board, which in turn appoints the member's officers. The succession of the ownership of the shares of common stock in the members is controlled by the articles of incorporation and bylaws of the member, as well as by applicable law and regulation, which collectively provide for the fluid and perpetual transition and succession of voting authority over those shares.

Instructional Leadership: South Pointe Junior High uses a system-wide approach to building capacity from within The Leona Group management organization as well at the individual school level. All faculty members meet annually with administration to review and receive performance feedback, measure progress toward individual goals and discuss/document future action steps toward newly developed or existing career goals. At such time, merit pay is awarded to qualifying candidates.

The application states that South Pointe Junior High School is committed to school-level professional learning communities where teachers are empowered to become self-directed learners and leaders within their grade level team and content area. Teachers also have access to system-wide professional development throughout the school year.

Although not required to hire certified personnel, South Pointe Junior High School requests that all candidates for the instructional leadership team possess a bachelor's degree and the necessary experience to lead a school. South Pointe Junior High School provides an incentive package that encourages potential candidates to consider school leadership positions. The school offers a competitive salary along as well as low cost health/dental/vision insurance coverage for employee and/or dependants on the plan. Leadership positions are also rewarded with a merit pay for performance on meeting school goals.

Facilities Plan

South Pointe Junior High School has no plans for expansion. South Pointe Junior High School was entirely renovated and all equipment was brand new in 2008. Short and long term facility goals are not as comprehensive as they will become in future years as the facility and assets begin to age. South Pointe Junior High has a maintenance team in place, through the management company, that visits the school to conduct routine, preventative care to the building and grounds as needed.

Each year, a team of 2-3 people perform a facility audit on the building, the grounds and equipment, which serves as a comprehensive review of the facilities assets as well as the status or condition on items, systems and operating components. Once the audit is complete, data is analyzed and used to develop short and long term facility goals with corresponding action steps, budget/financial resources and timelines.

A short term goal for the facility includes expanding the internal internet wiring throughout the building to accommodate an additional 40 computers by 2010-11. A long term goal for the school facility is to add two additional shade structures to the outside grounds by 2014.

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 South Pointe Public Charter Junior High School.