The Edge 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:

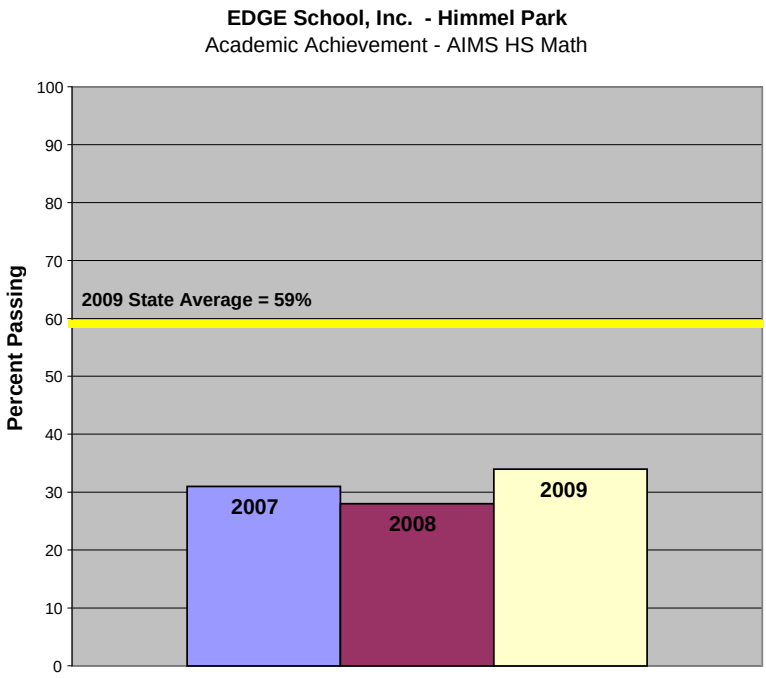
- Written application for renewal
- Student performance data
- Independent financial audits
- Five year interval summary reviews
- Site visit reports
- Monitoring reports

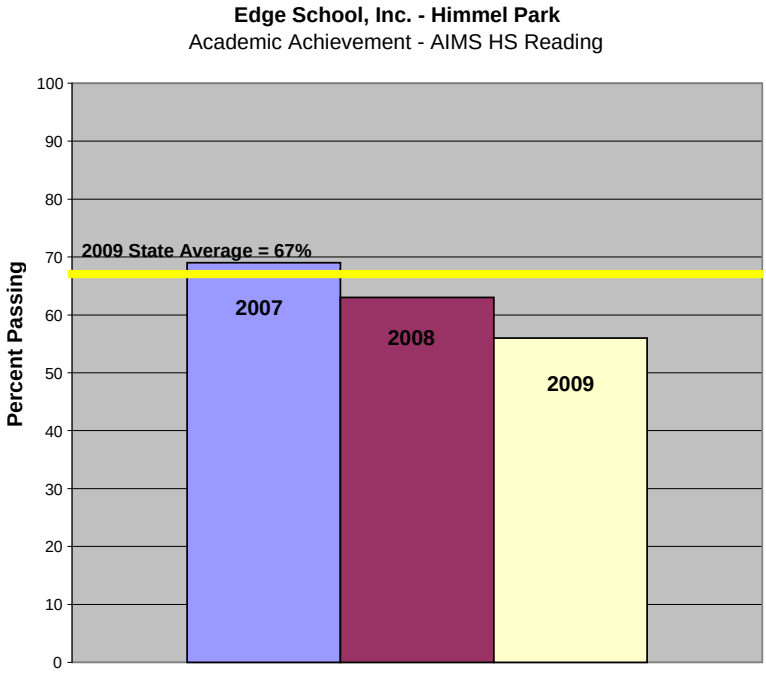
II. Profile

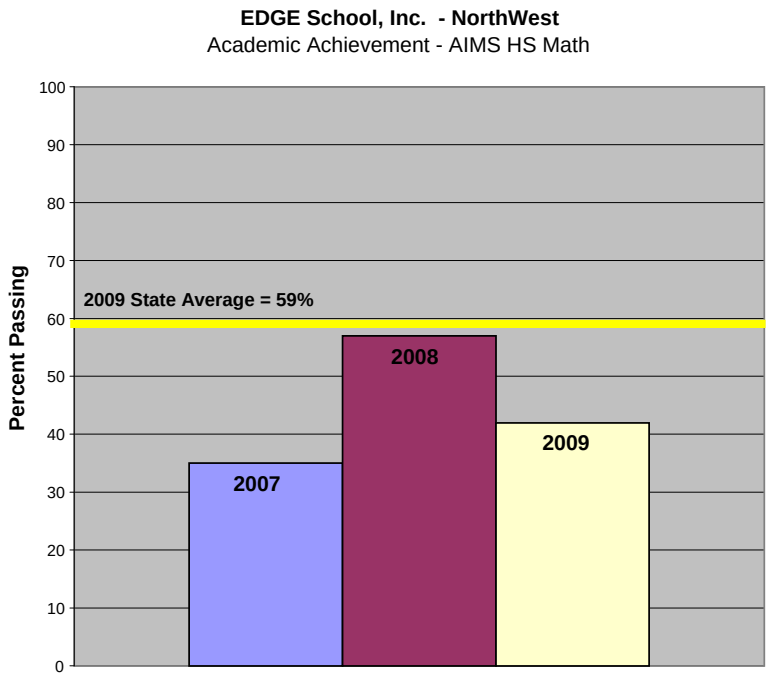
The Edge School, Inc. was granted a charter by the State Board of Education, effective on June 22, 1995. The Charter Holder transferred the charter to the ASBCS on June 9, 2004. The Edge School, Inc. is a non-profit corporation in good standing with the Arizona Corporation Commission. The charter representatives are Greg Hart, Ginny Reiss, and Bob Barrette. The charter holder operates three schools serving grades 9-12: Edge High School - Sahuarita (Sahuarita), Edge High School – Himmel Park (Tucson), and Edge High School -NorthWest (Tucson). The FY10 100th day ADM was 226.435.

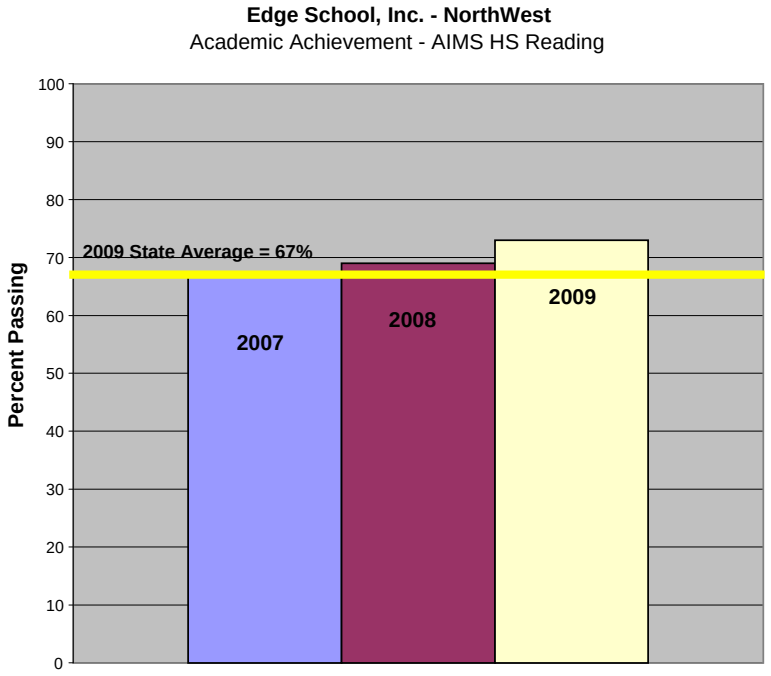
Mission Statement (as provided in the contract):
The PCAE-Edge Program's mission is to provide an alternative to traditional education for youth who have dropped out of the public school system or are at risk of doing so, and are seeking educational services along with counseling support in order to complete their secondary education.

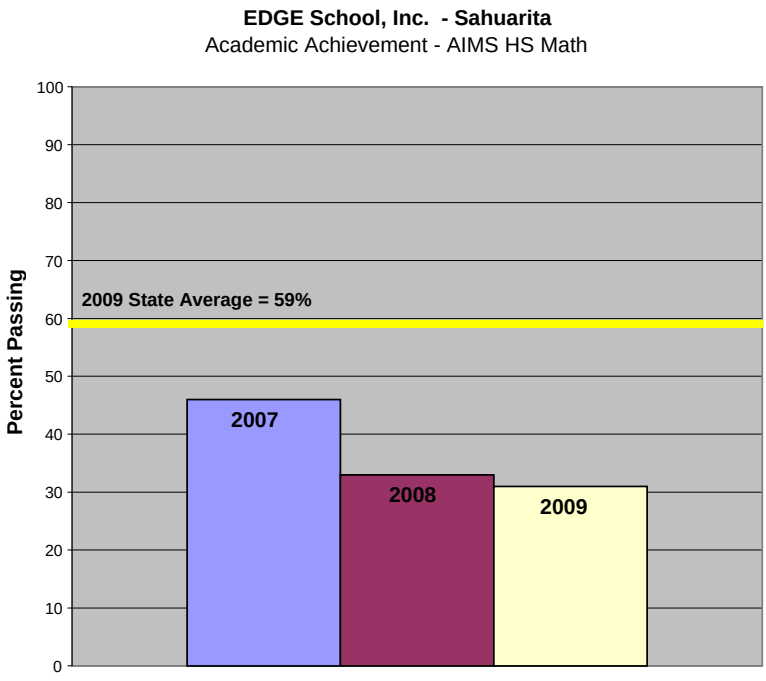
III. Academic Performance

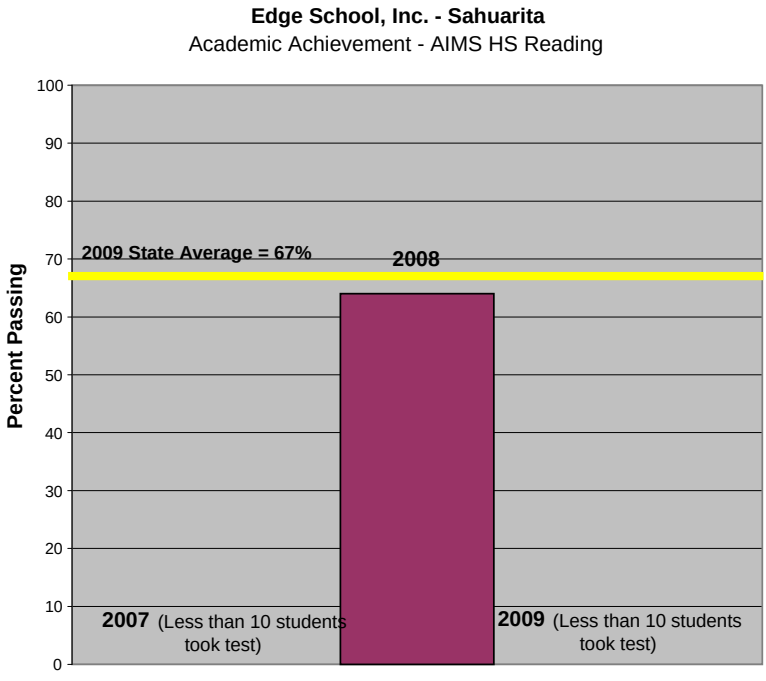





EDGE School, Inc. - NorthWest
Academic Achievement - AIMS HS Math
Percent Passing
100
90
80
70
60
50
40
30
20
10
0
2009 State Average = 59%
2007
2008
2009


Edge School, Inc. - NorthWest
Academic Achievement - AIMS HS Reading
Percent Passing
100
90
80
70
60
50
40
30
20
10
0
2009 State Average = 67%
2007
2008
2009


EDGE School, Inc. - Sahuarita
Academic Achievement - AIMS HS Math
Percent Passing
100
90
80
70
60
50
40
30
20
10
0
2009 State Average = 59%
2007
2008
2009


Edge School, Inc. - Sahuarita
Academic Achievement - AIMS HS Reading
Percent Passing
100
90
80
70
60
50
40
30
20
10
0
2009 State Average = 67%
2008
2007 (Less than 10 students took test)
2009 (Less than 10 students took test)

Fiscal Year	AZ LEARNS	Adequate Yearly Progress (AYP)
2009	Edge HS–Himmel Park= Performing Plus Edge HS–NorthWest= Underperforming Edge HS–Sahuarita= Performing Plus	No No No
2008	Edge HS–Himmel Park=Performing Plus Edge HS–NorthWest=Performing Edge HS–Sahuarita=Performing	No Yes Yes
2007	Edge HS–Himmel Park=Performing Plus Edge HS–NorthWest=Performing Plus Edge HS–Sahuarita=Highly Performing	No Yes 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 2009 audit identified an issue which required a corrective action plan (CAP). For fiscal year 2009, the audit noted noncompliance with statutory requirements for hiring personnel that do not yet have a fingerprint clearance card (FCC). Specifically, while the charter holder had completed many of the steps required by statute, it had failed to document the necessity for hiring and placement of the individual before receiving the FCC. The charter holder submitted a satisfactory CAP.
- The fiscal year 2005 audit identified a repeat issue.

The Edge 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.
- The Highly-Qualified Teacher report, updated on February 2, 2010, indicated 25 core teachers and all were reported as highly qualified.
- No Child Left Behind (NCLB) Compliance Monitoring for Cycle 3 (2005) and Cycle 5 (2006-07) met compliance. In 2005-06 ADE Academic Achievement Division conducted an on-site review and found no areas of concern or non-compliance.

- In 2007 ADE Exceptional Student Services determined the school was not in compliance with the Individuals with Disabilities Education Act (IDEA) and required a corrective action plan.

VI. Renewal Application

A. Education Plan

Performance management plans are intended to assist schools in addressing academic performance deficiencies with a plan that clearly articulates the academic achievement area in need of improvement, the tools intended to measure improvement, and the degree of improvement to be achieved.

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 results from state assessments, T.A.B.E., AZ LEARNS, AYP, graduation rates, student earned credits, demographics, and alternative school categories. Based upon the data analysis, the school determined to focus the plan on student monitoring, intervention, and curriculum.

Indicator: **Math**
Duration of the Plan: July 1, 2010 to June 30, 2014
Strategies:

- Credit recovery toward graduation will be tracked and addressed for all Edge students.
- Instruments to track student progress and drive intervention decisions will be implemented.
- Additional instructional time for students will be provided as needed.

ANNUAL BENCHMARK TARGETS:

CURRENT STATE	Year 1	Year 2	Year 3	Year 4	Target For This Plan
2009 Meets or Exceeds in Mathematics (AIMS) **Himmel Park 31%** **NorthWest 42%** **Sahuarita 31%**	2010 Meets or Exceeds in Mathematics (AIMS) **Himmel Park 37%** **NorthWest 47%** **Sahuarita 38%**	2011 Meets or Exceeds in Mathematics (AIMS) **Himmel Park 43%** **NorthWest 52%** **Sahuarita 45%**	2012 Meets or Exceeds in Mathematics (AIMS) **Himmel Park 49%** **NorthWest 52%** **Sahuarita 52%**	2013 Meets or Exceeds in Mathematics (AIMS) **Himmel Park 55%** **NorthWest 62%** **Sahuarita 59%**	2014 Meets or Exceeds in Mathematics (AIMS) **Himmel Park 61%** **NorthWest 62%** **Sahuarita 59%**
Additional measure for all three schools: One grade level growth on TABE testing.					

Indicator: **Reading**
Duration of the Plan: July 1, 2010 to June 30, 2014
Strategies:

- Additional instructional time and concentrated attention to Reading will be provided.
- Instruments to track student progress and drive intervention decisions will be implemented.
- Additional emphasis in writing, during summer school and with paraprofessional, will provide support to reading proficiency.

ANNUAL BENCHMARK TARGETS:

CURRENT STATE	Year 1	Year 2	Year 3	Year 4	Target For This Plan
2009 Meets or Exceeds in Reading (AIMS) **Himmel Park** **58%** **NorthWest** **73%** **Sahuarita** **60%**	2010 Meets or Exceeds in Reading (AIMS) **Himmel Park** **61%** **NorthWest** **74%** **Sahuarita** **62%**	2011 Meets or Exceeds in Reading (AIMS) **Himmel Park** **64%** **NorthWest** **75%** **Sahuarita** **64%**	2012 Meets or Exceeds in Reading (AIMS) **Himmel Park** **67%** **NorthWest** **76%** **Sahuarita** **66%**	2013 Meets or Exceeds in Reading (AIMS) **Himmel Park** **70%** **NorthWest** **77%** **Sahuarita** **68%**	2014 Meets or Exceeds in Reading (AIMS) **Himmel Park** **70%** **NorthWest** **77%** **Sahuarita** **68%**
One grade level growth on TABE testing.					

In the Performance Management Plan, The Edge School, Inc. scored 26 points out of a possible 40 points. Sixty percent of the sections scored at Meets or Exceeds level.

B. Detailed Business Plan

Organization

The application package provided an organizational chart which shows the relationship between the boards, administration, and faculty and staff. The narrative submitted for the reporting structure described how the organization handles fiscal policies. This same information was submitted in the Sustainability section of the application package and addressed in that section of this report.

Sustainability

Fiscal Viability

The renewal application states that Edge has a number of fiscal policies and procedures that center around keeping management and the Board of Directors up-to-date, aware and involved in the fiscal management of the school. At each monthly board meeting, the board members review the bank reconciliations of all of the school's bank accounts. Additionally, the Business Management Consultant gives a report on the school's current budget situation and outlook. The application also included a copy of the Fiscal Management Section of the Board Policy Manual.

The Executive Director and Director work with the Business Management Consultant to make business decisions and are the only personnel with site-level fiscal authority. At June 30, 2009, the school's ending cash balance, including restricted cash, was $739,674, which according to the application, represents a reserve of average monthly expenditures of more than four months. "As a result, the management and Board of Directors of Edge High School feel comfortable that the School is in a position to continue to operate effectively while meeting the fiscal challenges posed by the struggling economy," the application states.

While most of its revenue comes from state financial assistance, the application states that Edge works with approximately 90 local businesses and social service agencies in its career development program.

For fiscal year 2008 and fiscal year 2009, the independent certified public accountant issued an unqualified (or "clean") opinion on The Edge School's financial statements. In each year, the charter holder ended the year with positive net assets. However, in fiscal year 2009, expenses exceeded revenues by approximately $207,000. The school submitted two Budget Plans as part of the renewal application. One was based on known cuts to charter school funding assuming the sales tax increase passed while the other was based on known cuts assuming the sales tax increase failed. The remainder of this section will reference the Budget Plan built on the sales tax increase passing. The Budget Plan indicates that Edge's ending net assets will be positive for fiscal years 2010 through 2012. However, the charter holder anticipates that expenditures will exceed revenues in fiscal years 2010 and 2011. For fiscal years 2011 and 2012, the charter holder anticipates approximately 3% growth in ADM each year.

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

The Edge Board of Directors is the same membership for the corporate board as well as the governing board. The board members meet as the Corporate Board of Directors and the Governing Board.

In its capacity as Corporate Board of Directors, the board has overall responsibility for the corporation and all subsidiaries. The Corporate Board of Directors reviews the operational status of Edge High School and reviews and approves all actions taken by the Governing Board of Edge High School at least annually.

In its capacity as the governing body, the board meets at least monthly and assumes ongoing responsibility for financial management of Edge High School. The Governing Board provides direction for fiscal, administrative and instructional components of the school and serves as supervisory entity for the part time Executive Director. The Governing Board is responsible for overall educational policies and implementation of the educational program at Edge High School. The Board also considers and acts upon policy development and amendments and any changes made to the original charter.

Edge Board of Directors members:

Dr. John Garcia
Greg Hart

Marisa Pope-Malings
Gloria Proo
Denise Ryan
Lenny Schwartz
Richard Wilson

Succession Plan

Charter Holder: The Edge Board of Directors is responsible for the replacement of all board members and administrative personnel due to resignation, retirement or other circumstances. Additional information is included in the application package in section B part 2. Officers are elected annually at the corporate meeting in December. In the event of a vacancy of the key officers, the board's by-laws provide for an interim election of officer(s). The applicant included a copy of the by-laws with the application package.

Instructional Leadership:

The applicant states that Edge School, Inc. has developed compensated ways to promote growth and leadership among instructional staff, including the recruitment of qualified and willing individuals to develop and lead curriculum and professional development for the district. A veteran teacher in each content area oversees curriculum changes to the content area and serves as a master teacher mentoring less experienced staff in instructional practices, curriculum development, classroom management, and school policy. Edge School, Inc. states in the application package that it provides opportunities for staff to continue their education and professional career paths and provides internship opportunities.

Facilities Plan

Edge High School - Himmel Park

Using the proceeds ($4.63 million for purchase and renovations) from a thirty-year bond issued by the Industrial Development Authority of Pima County on its behalf, The Edge School, Inc., purchased its Himmel Park site in the fall of 2007. The facility was gutted and completely remodeled in stages beginning in February of 2008 and culminating in October of 2008. Himmel Park Edge, 2555 E. First St., Tucson, is located a mile east of the University of Arizona, and across the street from City of Tucson's Himmel Park and Himmel Park Library.

Himmel Park Edge has 9 classrooms, 2 resource rooms, 1 special education office/room, 2 student service coordinators offices, 1 conference room, 1 administrative suite of offices, and restrooms. The school is completely wired for the internet with WiFi capability. Three of the classrooms have Smartboards and all classrooms have multimedia projectors. There are computers in each classroom, and a portable laptop lab is available for use where needed in the facility.

Edge High School – Northwest

Edge Northwest, 231 W. Giaconda Way, Ste. 113, is leased through June 30, 2012. It is located in a business mall close to the intersection of Ina and Oracle in Northwest Tucson. The building was updated with new interior paint, and carpeting during the summer of 2009.

There are 2 classrooms, 1 work room, 1 conference room, 1 office, and restrooms. The school is completely wired for the internet. The larger classroom has a Smartboard, and multimedia projector. There are computers in each classroom.

Edge High School – Sahuarita

Edge Sahuarita, 15500 S. Sahuarita Park Rd., is located in Sahuarita, AZ within the boundaries of Sahuarita Park. Sahuarita Park was a Pima County Park, and has recently been taken over by the Sahuarita School District, which provides the site and transportation for Edge students. The building is a modular that Edge purchased and placed in 2006.

There are 2 classrooms, and 1 office. The school is completely wired for the internet. There is a portable Smartboard. There are computers in each classroom.

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 The Edge School, Inc.