BASIS School, Inc. - Entity ID 6361
School:
BASIS Tucson

Renewal Executive Summary

Sources of Evidence for this Document

Pursuant to A.R.S. 15-183.I, a charter may be renewed for successive periods of twenty years. The Arizona State Board for Charter Schools (Board) has established a process for the renewal of a charter that is based on affirmative evidence in three areas:

I. Success of the academic program, including academic achievement
II. Viability of the organization, including fiscal management and compliance
III. Adherence to the terms of the charter, including contract and legal compliance

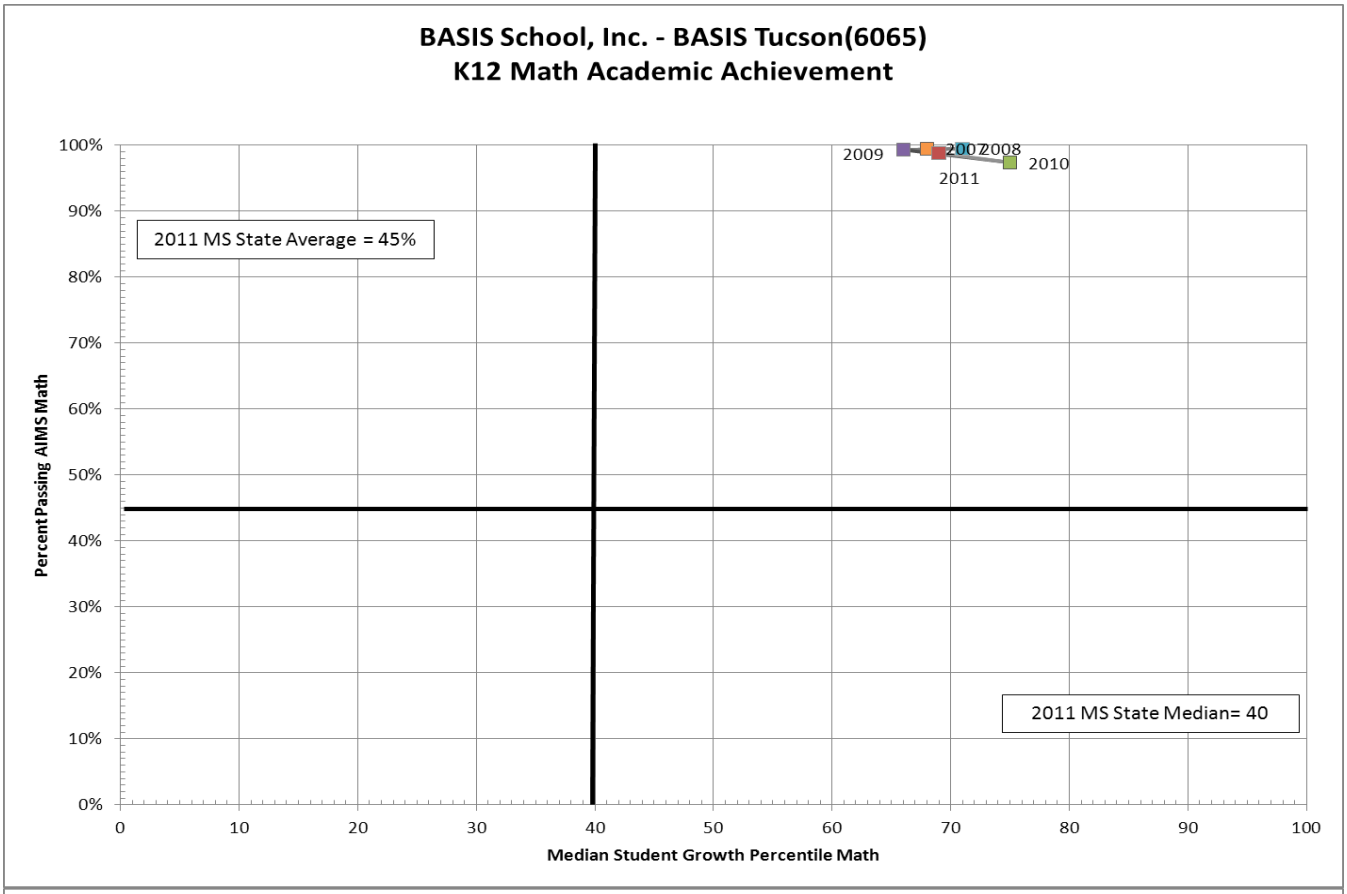
Evaluation of the charter holder's success in these three areas is based on a variety of information that will serve as sources of evidence in determining renewal of a charter. These sources include, but are not limited to:

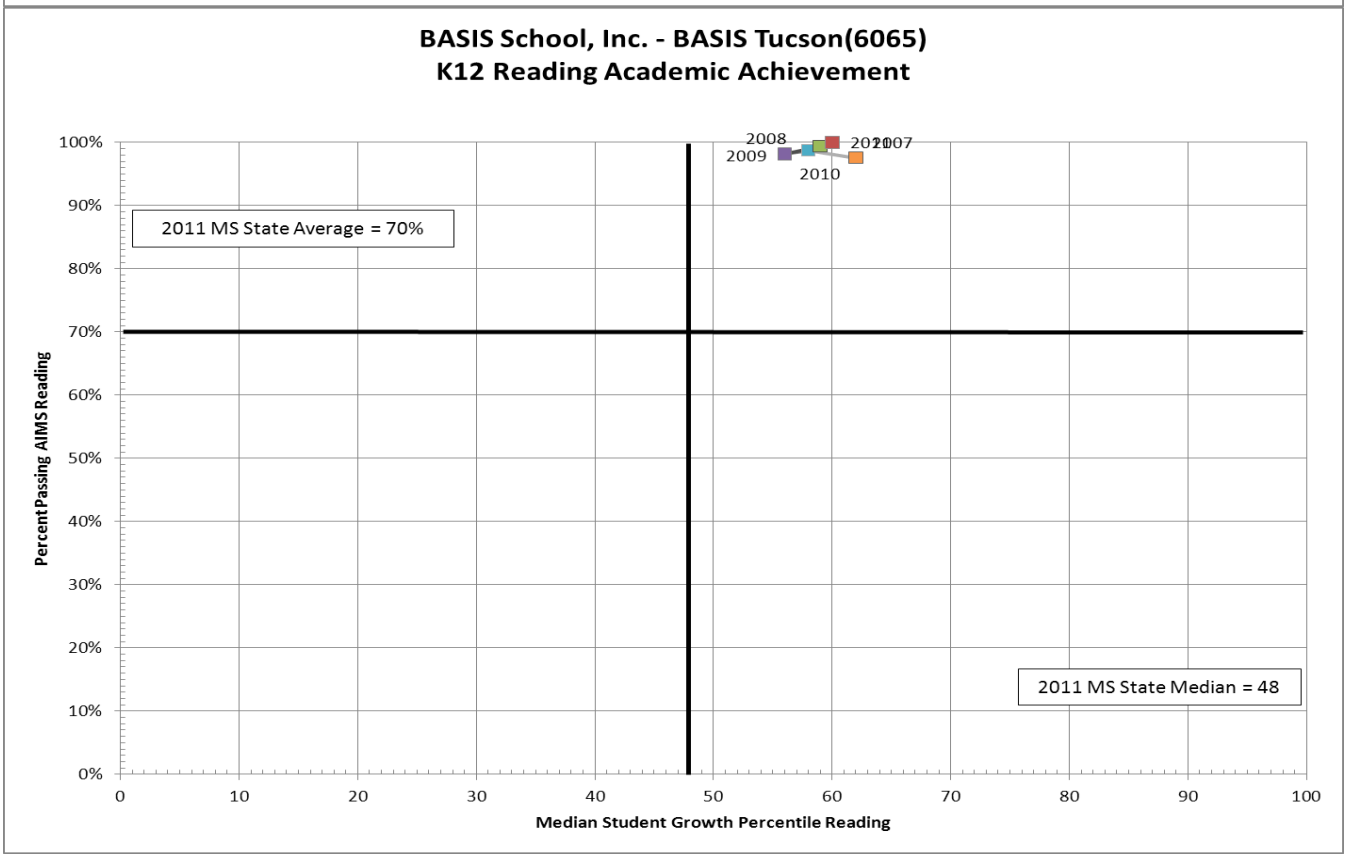
- Pupil achievement data
- Independent financial audits
- Five-year interval summary reviews
- Site visit reports
- Monitoring reports
- Application package for renewal

Profile

BASIS School, Inc., Entity ID 6361, operates one school serving grades 5-12.

Graphs displaying the academic achievement for the past five years are provided on the next page.


BASIS School, Inc. - BASIS Tucson(6065)
K12 Math Academic Achievement
2011 MS State Average = 45%
2011 MS State Median= 40
2009
2007
2008
2010
2011
Percent Passing AIMS Math
Median Student Growth Percentile Math
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
0
10
20
30
40
50
60
70
80
90
100


BASIS School, Inc. - BASIS Tucson(6065)
K12 Reading Academic Achievement
2011 MS State Average = 70%
2011 MS State Median = 48
2008
2009
2010
2007
Percent Passing AIMS Reading
Median Student Growth Percentile Reading
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
0
10
20
30
40
50
60
70
80
90
100

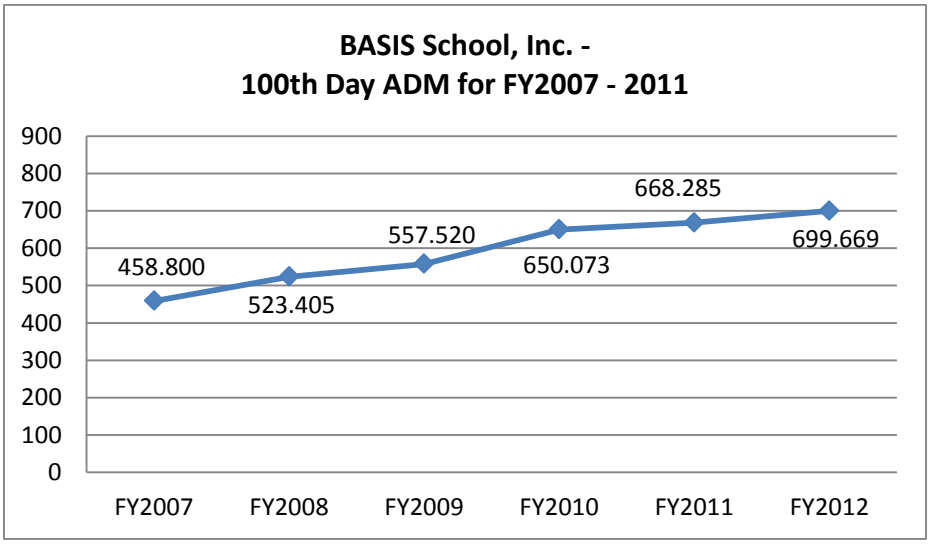
I. Success of the Academic Program

The academic performance of the school operated by the charter holder meets or demonstrates sufficient progress toward the Board's level of adequate academic performance. Therefore, the charter holder was not required to submit a Performance Management Plan.

II. Viability of the Organization

Because the charter holder's fiscal years 2009 and 2010 audits identified negative net assets at the end of each year, the charter holder was required to complete the Renewal Budget Plan and submit the Financial Sustainability Narrative and supporting evidence. Required submissions for the charter holder's Financial Sustainability portion of the Detailed Business Plan Section of the application and the applicable checklist are included in the charter holder's portfolio. The checklist completed by staff identifies whether the required elements of the Detailed Business Plan were addressed.

The graph below shows the charter holder's actual 100th day average daily membership (ADM) for fiscal years 2007 through 2011 and the fiscal year 2012 40th day ADM as of February 8, 2012. The ADM included in the Renewal Budget Plan for fiscal year 2012 is in line with reports available through the Arizona Department of Education's website.



As indicated in the graph above, the charter holder's ADM has increased from year to year during the past six years. For fiscal years 2013 through 2015, the Renewal Budget Plan projects a drop in ADM to 360 based on the charter holder's decision to reduce the grade levels served under this contract from 5-12 to 5-7. (Beginning with fiscal year 2013, grades 8-12 will be served under the replication charter for BASIS Tucson North granted by the Board in November 2011. For more information, please see the charter holder's portfolio.) As of February 8, 2012, the charter holder's fiscal year 2012 ADM for grades 5-7 is approximately 380.

In reviewing the five most recent audits (2007-2011), the financial statements for four of the five years show deficits resulting from liabilities in excess of assets ranging from $167,932 in

fiscal year 2010 to $465,315 in fiscal year 2009. For fiscal year 2011, BASIS Tucson ended the year with positive equity [$113,763]. As of June 30, 2011, BASIS Tucson had sufficient cash or other readily available resources [$1,017,590] to satisfy obligations due within the next year [$532,245]. During the most recent four audits, BASIS Tucson's end of year unrestricted cash balance has grown from $42,507 to $525,120. For three (2008, 2010 and 2011) of the past five audits, BASIS Tucson's revenues exceeded its expenses. The Renewal Budget Plan projects that revenues will exceed expenses in fiscal years 2012 through 2015.

In the Financial Sustainability Narrative, the charter holder states that " BASIS Tucson continues to demonstrate a sustainable operation as evidenced by the Fiscal Year 2011 audit report." The charter holder included a copy of the fiscal year 2011 audit as part of its renewal application package. The narrative points to BASIS Tucson's annual increase in cash and cash equivalents from fiscal year 2009 to fiscal year 2011 as well as the school's efforts in recent years to move from an ending net deficit to positive year-end equity.

III. Adherence to the Terms of the Charter

A. Compliance Matters Requiring Board or Other Agency Action[1]

Over the past six years, there were no items to report.

B. Other Compliance Matters[2]

In January 2008, ADE Exceptional Student Services notified the charter holder of partial high compliance in some areas with regard to specific regulations for Part B, Individuals with Disabilities Education Act (IDEA), and the Arizona Revised Statutes. The compliance issues were reported as resolved in January 2009.

C. Charter Holder's Organizational Membership

Because the organizational membership on file with the Board was consistent with the information on file with the Arizona Corporation Commission, the charter holder was not required to submit the charter holder's Organizational Membership portion of the Detailed Business Plan Section.

Staff Recommendation

Based upon the academic performance, fiscal compliance, legal and contractual compliance, and the information in the renewal application package, I move to approve the request for charter renewal and grant a renewal contract to Basis School, Inc.

[1] For more information about the areas of compliance reviewed for this section, please see the "Renewal Guide".
[2] For more information about the areas of compliance reviewed for this section, please see the "Renewal Guide".