
AGENDA ITEM: Surrender Agreement – Rising Schools, Inc.

Issue

Rising Schools, Inc. has submitted a Voluntary Surrender and Charter Termination Agreement (“Surrender Agreement”).

Background

Rising Schools, Inc. (“Charter Operator”) operates The Rising School serving grades 4 through 12. On May 13, 2019, the Charter Operator notified the Board of its intent to close its school and surrender its charter at the end of fiscal year 2019. According to the Charter Operator, “The lease on our school facilities is expiring on June 30, 2019. After years of negotiation with the landlord, we have been unable to come to terms to extend the lease or to purchase the facilities outright. In addition, after searching, we have been unable to locate and secure suitable replacement facilities.” The Charter Operator’s fiscal year 2019 average daily membership is 87.691.

On June 4, 2019, the Board became the custodian of The Rising School’s student records.

A copy of the proposed terms of the Surrender Agreement is included in Appendix A.

Appendix A

VOLUNTARY SURRENDER AND CHARTER TERMINATION AGREEMENT

This Voluntary Surrender and Charter Termination Agreement (“Agreement”) is made by and between Rising Schools, Inc. (“Charter Operator”), a nonprofit corporation organized under the laws of the state of Arizona, and the Arizona State Board for Charter Schools (“Board”), collectively referred to herein as the “Parties”.

RECITALS

1. The Charter Operator operates The Rising School (“the School”), a charter school established pursuant to A.R.S. § 15-181 *et seq.*
2. The School operates pursuant to a charter contract (“Charter”) executed on May 22, 2013 between the Charter Operator and the Board.
3. George Rising is the Charter Representative and person authorized to execute documents on behalf of the Charter Operator.
4. On May 13, 2019, the Charter Operator notified the Board of its intent to close its School and surrender its Charter at the end of fiscal year 2019. According to the Charter Operator, “The lease on our school facilities is expiring on June 30, 2019. After years of negotiation with the landlord, we have been unable to come to terms to extend the lease or to purchase the facilities outright. In addition, after searching, we have been unable to locate and secure suitable replacement facilities.”

AGREEMENT

The Parties agree as follows:

1. The Charter Operator voluntarily tenders and surrenders the Charter to its sponsor, the Board, with the intent to voluntarily terminate its Charter effective 11:59 p.m. on June 30, 2019

for the purpose of further performance.

2. The Board accepts the surrender of the Charter for the operation of the School.

3. The Charter between the Charter Operator and the Board for the operation of the School is terminated effective 11:59 p.m. on June 30, 2019 for the purpose of further performance.

4. This Agreement is not binding on the Parties until both the Board and the Charter Operator's governing board accept it by the number of votes necessary to pass a measure at a public meeting. This Agreement is effective as of 11:59 p.m. on June 30, 2019 upon its approval and execution by the authorized representatives of the Charter Operator and the Board.

5. If the Board rejects this Agreement or any part of it, then this Agreement is null and void, and not binding on the Charter Operator or the Board.

6. No later than June 30, 2019, the Charter Operator shall deliver a complete copy of each student's educational record to the student's parent or legal guardian for each student enrolled in the School in the 2018-2019 school year.

7. The Board and the Charter Operator agree that the Board shall become the custodian of the School's student records. No later than June 30, 2019, the Charter Operator shall deliver to the Board the School's student records organized alphabetically in lidded banker boxes with an inventory list of students' names and grade levels and maintained in accordance with the Student Records Retention Schedule provided by the Arizona State Library, Archives and Public Records division of the Arizona Secretary of State's Office.

8. The Charter Operator will submit all requisite student level data for its receipt of state equalization funding for the 2018-2019 school year to the Arizona Department of Education ("Department") through the Arizona Education Data Standards ("AzEDS") system in the manner directed by the Department.

9. The Charter Operator is permitted to receive state equalization assistance funds for the 2018-2019 school year to which it is entitled under the school funding formula provided in Arizona law, but no more.

10. The Charter Operator shall refund any overpayment of state equalization assistance funds in the amount determined by the Department in the manner directed by the Department.

11. The Charter Operator is permitted to receive Classroom Site Funds for the 2018-2019 school year to which it is entitled under the provisions of Arizona law, but no more. The Charter Operator shall expend the Classroom Site Funds in a manner consistent with the intent as specified in A.R.S. § 15-977.

12. The Charter Operator shall refund any overpayment of Classroom Site Funds in the amount determined by the Department in the manner directed by the Department.

13. The Charter Operator shall submit any outstanding grant reports and shall refund any outstanding grant monies or allocation of education funds in the amount determined by the Department in the manner directed by the Department.

14. The Charter Operator is permitted to receive Instructional Improvement Funds for the 2018-2019 school year to which it is entitled under the provisions of Arizona law, but no more. The Charter Operator shall expend the Instructional Improvement Funds in a manner consistent with the intent as specified in A.R.S. § 15-979.

15. Nothing in this Agreement is intended to prevent the Charter Operator from exercising its rights under statutes or regulations to contest amounts determined by the Department to be owed by the Charter Operator.

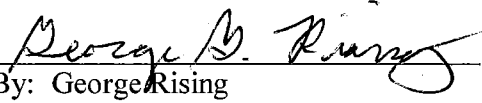
16. The Charter Operator understands that it has the legal right to consult with an attorney prior to entering into this Agreement.

17. The Parties shall be responsible for their own attorneys' fees and costs in this matter.

ARIZONA STATE BOARD FOR CHARTER SCHOOLS

By: Kathy Senseman
President, Arizona State Board for Charter Schools
Date: _____

RISING SCHOOLS, INC.


By: George Rising
Charter Representative, Rising Schools, Inc.
Date: 5/31/2019

COPY emailed this
_____ day of _____, 2019 to:

George Rising
Rising Schools, Inc.
grising@dakotacom.net

By _____