B.1. Applicant Organization

Organization's History

The motivation to start the school was based on requests by families who wanted a quality educational program with leaders they know and trust, and by Mr. and Mrs. Prahcharov's desire to create an excellent charter school. The charter license of the school where Mr. Prahcharov used to work as the Principal was not renewed based on several factors, but NOT the academics of the school which the Charter Board of Arizona were pleased with. There is no connection, and will not be any future connections whatsoever to the previous failed charter school's upper management and charter holder.

Steve Prahcharov worked at Edu-Prize Charter School in Gilbert, Arizona as a Physical Education teacher from 2001-2005. In 2005, Mr. Prahcharov started working at Kachina Country Day School, which was a charter school in Paradise Valley, Arizona. By 2006, Mr. Prahcharov was the Principal at Kachina and remained there until its closure in the summer of 2011. Kachina was rightly refused a new operating license due to its many issues in non-compliance and tax liability.

As the principal, Mr. Prahcharov worked hard to increase the academics of the school and saw a rise each year in the AIMS scoring. During Mr. Prahcharov's time as Principal at Kachina Country Day School, he was not responsible for financial decisions as they were made solely by the Executive Director (not the Board of Directors) of the school. Mr. Prahcharov did not operate this Charter School; he was merely an employee and Board Member from 2006 to 2011.

Upon hearing of the tax liability faced by Kachina in June 2010, Mr. Prahcharov immediately tendered his resignation from the Kachina School Board. It became evident at this time that important events which had affected Kachina, including the huge tax liability, had not been disclosed to the Kachina Board. All of the Kachina Board were employed by the Executive Director of the Board. It certainly was not being run properly in hindsight. This would never happen at SCDS as the Board will not be made up of employees and run by their employer.

The SCDS Board will have a range of professionals from the community, and with different expertise to ensure fairness and transparency. There is no connection with Mr. Prahcharov's former school, nor has there been any communication with the Executive Director and former Charter Holder since July 2011, when Mr. Prahcharov left his position with Kachina.

The concept of Scottsdale Country Day School started in July 2010 when Steve Prahcharov and his wife Katherine, decided that they would apply for a charter school license. Having worked in two different charter schools for 9 years, Mr. Prahcharov had witnessed the tremendous benefits that a charter school can offer its students and families. Invaluable learning experiences during

these nine years, 5 as a teacher and 5 as a principal, gave Mr. Prahcharov the insight and knowledge needed to apply for, open, and run a successful charter school. Mrs. Katherine Prahcharov, Mr. Prahcharov's wife adds to the team with her business and communications background.

Scottsdale Country Day School was officially started with Articles of Incorporation with the Arizona Corporation Commission in February, 2011 by Steve and Katherine Prahcharov who had a vision of providing excellence in education. Prior to this date, work on the idea of Scottsdale Country Day School was being conducted as early as July, 2010 and resulted in the creation of a private school for the 2011/2012 and 2012/13 school year. Organizers envision operating as a charter school for the 2013/2014 school year and beyond. A non-profit company, SCDS has been formed and received recognition as a 501(c)(3) organization.

Establishment of Principals

Steve Prahcharov worked in two different charter schools since 2001, as a teacher for 5 years and Principal for 5 years and has a Master's degree in Educational Administration. Partnered with his wife, Katherine, who has 12 years of experience in the international business world including accounting and management, they have a perfect mixture of experience, expertise, knowledge, and passion necessary to start a successful Charter School. This is evident with the successful founding of the private pre-school through 8th grade private school that they both currently own and operate. SCDS is currently operating as a private school since its inaugural year in 2011 and hopes to operate as a charter school for the 2013/2014 school year and beyond (if approved).

Role and Responsibility of the Organization

The role and responsibility of SCDS are highlighted in Table 1 below:

If successful in the charter school application, the private SCDS will cease to be a private school at the end of May, 2013, and will transition smoothly into a charter school. This unique situation allows for a an economical and smooth transition from private to public school, building to be secured and occupied, curriculum and furniture to be acquired, and curriculum to be in place for the new SCDS charter school.

Table 1 – Roles and Responsibilities of SCDS Governing Board

Role/Responsibility	Status
Overall Governance of SCDS	Ongoing
Establishing AZ corporation for SCDS	Completed 02/2011
Establishing Bylaws for SCDS	Completed 03/2011
Organizing/conducting SCDS Corporate Board meetings per Arizona's Open Meeting Law	Ongoing
Establishing class sizes and teacher/student ratios	Completed 03/2011
Establishing policies and procedures for SCDS	Completed 03/2011

Establishing budgets and sound financial practices	Ongoing
Aligning the core curriculum to state standards	Ongoing
Establishing 501(c)(3) status for SCDS	Completed 10/2012
Reviewing and monitoring academic achievement	Ongoing
Applying for and establishing an excellent charter school	Ongoing
Advertising with the target population of SCDS	Ongoing
Recruiting and training highly qualified staff for SCDS	Ongoing
Applying for all licensing and permits necessary to operate a school	Ongoing
Ensuring a smooth transition from a private school to a charter school	Ongoing
Creating 1 Board of Directors for the Corporate and Governing Boards. The Corporate and Governing Board will be one and the same	Completion by 05/2013

The Corporate Board was created by the incorporators Steve and Kathy Prahcharov to establish a structure to formulate the private school. The Corporate Board will continue to manage the private school until the end of May, 2013 in order to finish the school year and file all IRS required documentation. As of February 2013, once announcement of decision to accept or decline the charter application has been made, the Corporate Board will in no way make financial or management decisions for the charter school. This will ensure that management/finances are not compromised for the charter school.

As of February, 2013 the School Governing Board will be responsible for the day to day running of the charter school and for any decisions needed to be made prior the Corporate and Governing Boards being one and the same at the end of May 2013, once the private school closes. The Corporate Board will act solely as the founders/incorporators of Scottsdale Country Day School. As a non-profit and a 501(c)(3) corporation, SCDS operates exclusively for educational purposes and is not organized to benefit any individual.

Mr. Steve Prahcharov and Mrs. Kathy Prahcharov form the Corporate Board for SCDS Private School. The Corporate Board is solely responsible for managing the private SCDS which will run for the 2012/2013 school year, through May 2013. The Corporate Board granted the School Governing Board authority to manage the day to day operations of the charter SCDS from February 2013 through the end of May, 2013. The Corporate Board will become one and the same with the School Governing Board at the end of May, 2013 if approved as a charter school.

The School Governing Board is comprised of two individuals as of December 15, 2012 and will increase to a minimum of 5 members by February 2013. The maximum Board of Directors membership is 13. Scottsdale Country Day School intends to have a Corporate/Governing Board of between 9 and 13 members in time for the charter school to start operations in the summer of 2013.

Roles and Responsibilities of the Principals

Steve Prahcharov will be the Principal, serving as the school's primary administrator for the Charter SCDS, a role in which he has served for 5 years at a previous charter school. Mr. Prahcharov was the co-founder and is a board member of the private SCDS. As such, he has an important role to play to ensure the roles and responsibilities described in Table 1 previously are followed and achieved by the Governing Board. The Corporate Board and Governing Board will become one and the same in June, 2013.

Kathy Prahcharov is the Director of Operations at the private SCDS and will be the Office Manager for the charter school. Mrs. Prahcharov also co-founded SCDS with Mr. Prahcharov and will also have an important role to play to ensure the roles and responsibilities described in Table 1 are followed and achieved by the School Governing Board. In addition, Mrs. Prahcharov is a member of the School Governing Board.

Steve and Katherine Prahcharov will deal with potential conflicts of interest on certain Board issues including but not limited to; not voting on own salaries, recues from board approval of any policies or procedures that affect your positions, and not evaluating each other.

Reporting Structure at SCDS

The Principal reports to and advises the School Governing and Corporate Board on matters at the school level and reports annually about academic achievement. The Principal oversees all school operations, including academic oversight, and directly manages the school staff. The Principal is responsible for managing the day-to-day activities of the school. As head of the school, he is responsible to ensure compliance with all authorizer, state, and federal regulations. The Principal supervises administrative staff and teachers.

The Curriculum Director is responsible for reporting to the Principal and will assist in managing the teachers. The Principal will be supported by the Curriculum Director and faculty in the day to day running of the school. Further assistance will be given to the Principal by the Curriculum Director on matters relating to the curriculum, assessments, professional development, student discipline, and other school related issues.

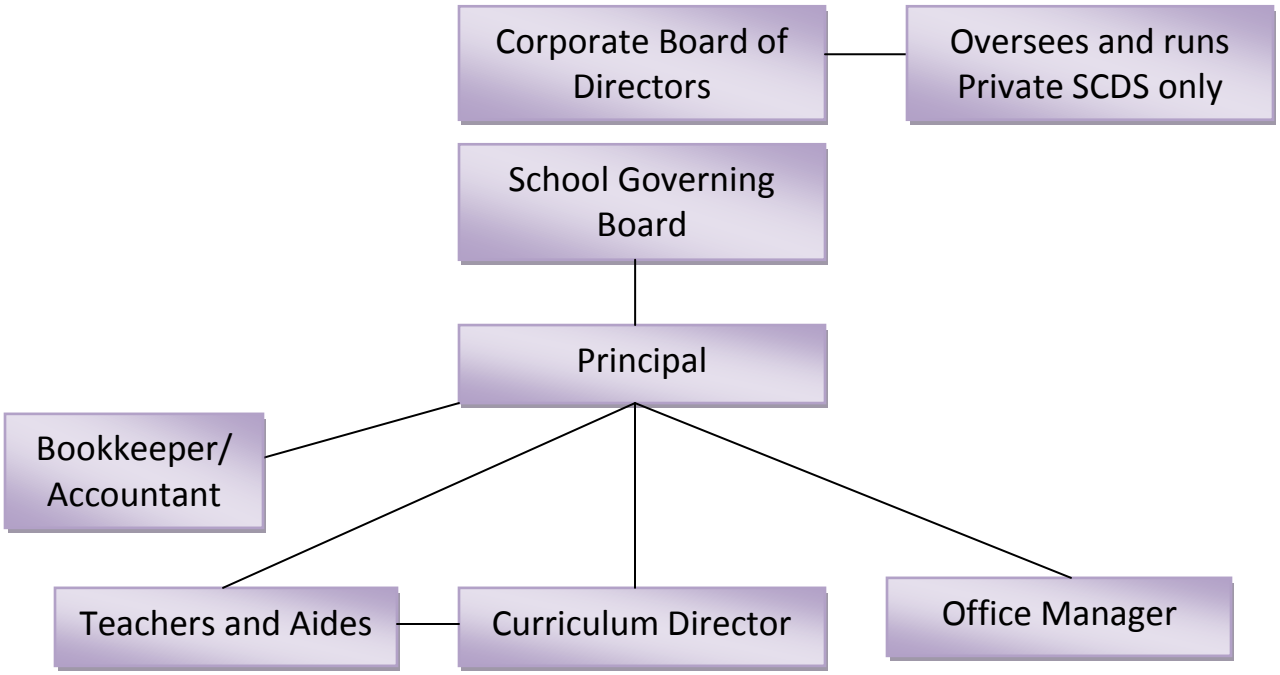
The Principal will be the person who works directly with the financial accounting company that will be hired to provide financial management support for the school.

Description of Organizational Structure

The Corporate Board and the School Governing Board is responsible for many aspects at SCDS, including approving policy, establishing and managing school budgets, oversight of academic achievement and of financial stability, and to ensure compliance with local, state, and federal law.

The organizational chart in Diagram 1 demonstrates that SCDS Corporate Board and the School Governing Board are currently separate Boards. Diagram 2 highlights how and when they will become one and the same. The staff and bookkeeper/accountant at SCDS report directly to the Principal, who in turn reports to the Governing Board of Directors. The Principal may consult individual Governing Board members for advice needed within the Open Meeting Law statute. Any grievances from staff members are to be reported to the Principal, unless the grievance is the Principal, then it should be presented to the SCDS Governing Board of Directors.

Diagram 1: Organizational Chart – Current through the end of May 2013.



This will become effective at the end of May, 2013, once the Corporate Board and School Governing Board become one and the same.

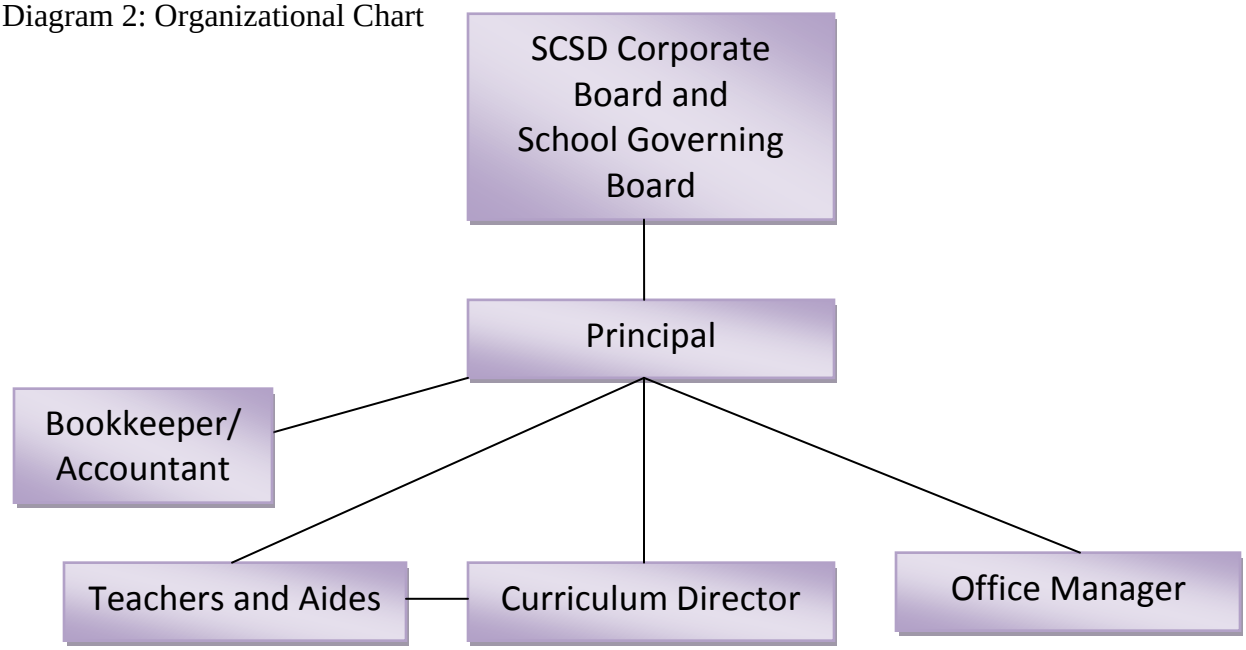



Diagram 2: Organizational Chart