AGENDA ITEM: Settlement Agreement – The Shelby School

Issue
Whether to adopt the proposed Settlement Agreement (Agreement) for the Conditional Renewal of the charter contract for The Shelby School.

Background
At its June 9, 2014 meeting, the Board denied the request for charter renewal and voted to not grant a renewal contract to The Shelby School on the bases that the charter holder failed to meet or make sufficient progress toward the academic performance expectations set forth in the performance framework as reflected in the Renewal Executive Summary and did not currently operate any schools that had received an overall rating of "Meets" or "Exceeds" the Board's academic standards in the most recent fiscal year for which there was State assessment data available. In its motion, the Board stated that if upon release of the 2014 Dashboard, the charter school receives an Overall Rating that improves by at least one category as compared to the 2013 Dashboard (DNM to Meets) and is assigned a letter grade of C or better, the charter holder may, within 30 days, request the Board review the Dashboard to consider whether conditions exist to grant a renewal.

At the time of consideration for renewal of the charter contract, the Board did not have access to data reflecting The Shelby School's academic performance for the 2013-2014 school year. The academic dashboard for The Shelby School reflected a letter grade of D for fiscal years 2012 and 2013 and an Overall Rating of Does Not Meet Standard.

On July 21, 2014, The Shelby School timely filed an appeal of the Board's decision.

In August 2014, the Arizona Department of Education released the 2014 letter grades. The Shelby School was designated a B school.

In September 2014, the Board generated the 2014 academic dashboards. The Shelby School's Overall Rating remained Does Not Meet Standard, but did show improved performance in math. The Shelby School academic dashboard is include in the portfolio.

In October 2014, Board staff and representatives of The Shelby School, along with their respective legal counsel, discussed the development of a Conditional Renewal Accountability Plan (Plan) and subsequent reporting of implementation of the Plan and improved academic performance as a stipulation for settlement.

The Shelby School has submitted a Plan that includes action steps for further development and implementation of systems to support improved academic performance in reading and math. A copy of the Plan and the proposed terms of the renewal contract are included in the portfolio. The Shelby School board has adopted the Plan, the terms of the Settlement Agreement, and the Renewal Contract.

Board Options

Option 1: The Board may vote to renew the charter with the inclusion of the Conditional Renewal Accountability Plan in both the current and renewal charter contracts. Staff recommends the following

language for consideration: I move to adopt the Settlement Agreement for The Shelby School as presented in the materials provided for consideration today.

Option 2: The Board may direct staff to continue Settlement Agreement discussions. The following language is provided for consideration: I move to direct staff to continue Settlement Agreement discussions with the Shelby School with the intent to work toward an agreement that includes (member will need to detail the alternative terms under which settlement may be considered).

Option 3: The Board may choose to proceed to set a hearing on The Shelby School's appeal of the nonrenewal decision. No action is required.