

AGENDA ITEM: Surrender Agreement – Sierra Oaks School, Inc.

Issue

Sierra Oaks School, Inc. has submitted a Consent Agreement for the Voluntary Surrender and Termination of the Charter Contract (“Surrender Agreement”) for the operation of Sierra Oaks School.

Background

On March 31, 2014, the Charter Representative of Sierra Oaks School, Inc. notified the Board that the Sierra Oaks School is ceasing its operations and provision of instruction to students effective May 22, 2014 due to financial hardship cause by low enrollment and poor academic performance of the School.

A signed copy of the agreement was received on April 30, 2013 for the closure of the school and the surrender of the charter effective June 30, 2014.

Suggested Motion

I move that the Board adopt the Consent Agreement for the Voluntary Surrender and Termination of the Charter Contract for Sierra Oaks School, Inc. for the operation of Sierra Oaks School as presented.

**CONSENT AGREEMENT FOR THE VOLUNTARY SURRENDER AND
TERMINATION OF THE CHARTER CONTRACT**

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

JURISDICTION

The Board is charged by Arizona Revised Statutes (“A.R.S.”) §§ 15-182(E)(1) and (2) and 15-183(R) with granting charter status to qualifying applicants for charter schools and exercising general supervision over the charter schools it sponsors. An approved plan to establish a charter school is effective for fifteen years. A.R.S. § 15-183(I). The charter may be amended at the request of the governing body of the charter school and on approval of the Board. A.R.S. § 15-183(G). The Board may revoke a charter of a school it sponsors at any time if the charter school breaches one or more provisions of its charter. A.R.S. § 15-183(I)(3). The charter may be renewed for successive period of twenty years. A.R.S. § 15-183(I)(1).

RECITALS

1. The Charter Operator operates Sierra Oaks 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 April 4, 2002 between the Charter Operator and the Board.
3. Pursuant to A.R.S. § 15-183 and the Charter, the Board sponsors the Charter Operator to operate one school site to serve students in grades Kindergarten through 6.

4. Lynn Eggleston is the Charter Representative and person authorized to execute documents on behalf of the Charter Operator.

5. On March 31, 2014, the Charter Operator notified the Board that the School was ceasing its operations and provision of instruction to students effective May 22, 2014 due to financial hardship due to low enrollment and poor academic performance of the School.

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 June 30, 2014, 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 June 30, 2014, 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 immediately 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. The Charter Operator shall mail 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 2013-2014 school year.

7. The Charter Operator shall notify the Board of the location of the School's student

records no later than May 30, 2014.

8. The Charter Operator shall submit all requisite student level data for its receipt of state equalization funding for the 2013-2014 school year to the Arizona Department of Education through the Student Accountability Information System (“SAIS”) by May 30, 2014.

9. The Charter Operator is entitled to receive state equalization assistance funds for the 2013-2014 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 Arizona Department of Education (“Department”) in the manner directed by the Department.

11. The Charter Operator is entitled to receive Classroom Site Funds for the 2013-2014 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 its 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 shall expend the Instructional Improvement Funds for the 2013-2014 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 its 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.

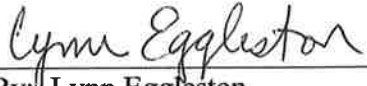
16. The Charter Operator understands that it has the legal right to consult with an attorney prior to entering into this Agreement.

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

ARIZONA STATE BOARD FOR CHARTER SCHOOLS

By: Janna Day
President, Arizona State Board for Charter Schools
Date: _____

SIERRA OAKS SCHOOL, INC.



By: Lynn Eggleston
Charter Representative, Sierra Oaks School, Inc.
Date: 4/23/2014

COPY mailed this
_____ day of _____, 2014 to:

Sierra Oaks School, Inc.
Attention: Lynn Eggleston, Charter Representative
650 West Linda Vista Road
Oracle, AZ 85623

By _____
04-2014

Sierra Oaks School, Inc. Board Minutes April 23rd, 2014

Meeting: called to order at 5:30pm at Sierra Oaks School

Pledge

Attendance: Justin Palmer, Flor Robles, Cy Miller Absent: Jessica Acedo, Diana Lujan

Approval of Minutes: Justin Palmer made a motion to table the minutes of the March 24th meeting, 2nd by Cy Miller All in Favor, none opposed

Call to Public: NONE

Administrative Report: Justin Palmer made a motion to table the admin. Report, 2nd by Cy Miller. All in Favor, none opposed.

New Business:

- a. **Enrollment Status: Continued discussion about enrollment and budget challenge. 32 students**

Old Business: Justin Palmer made a motion to table old business, seconded by Flor; all in favor; none opposed.

Consent Agenda:

- a. **Consent Agreement for the Voluntary Surrender and Termination of the Charter Contract: Justin Palmer made a motion to voluntarily surrender and terminate the charter contract, 2nd by Cy Miller. All in Favor, none opposed.**
- b. **Sierra Oaks Revised Budget: Justin Palmer made a motion to accept the revised budget, 2nd by Cy Miller. All in Favor, none opposed.**
- c. **Expenditure approval: Justin made motion to accept the expenditures; Cy Miller 2nd; All in favor, none opposed**

Next Meeting: Monday, May 12th, 2014 at 5:30pm at the school.

Adjournment: Flor Robles made motion to adjourn the meeting at 5:57pm.; seconded by Cy Miller; all in favor; none opposed.