

**BEFORE THE ARIZONA STATE BOARD
FOR CHARTER SCHOOLS**

In the matter of:

SIERRA SUMMIT ACADEMY, INC. (a
non-profit corporation)

and

SIERRA SUMMIT ACADEMY
(a charter school).

No. 12F-RV-001-BCS

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

This Agreement is entered into by Sierra Summit Academy, Inc., a nonprofit corporation operating Sierra Summit Academy, a charter school, and the Arizona State Board for Charter Schools, by and through its authorized representatives, and provides the following terms and agreement:

FINDINGS OF FACT

1. Sierra Summit Academy (hereafter, “the School”) operated as a charter school established pursuant to Arizona Revised Statutes (hereafter, “A.R.S.”) § 15-181 et seq. and sponsored by the Arizona State Board for Charter Schools (hereafter, “the Board”).
2. The School operated pursuant to a Charter Contract (hereafter, “Charter”) between Sierra Summit Academy, Inc., a non-profit corporation, organized under the laws of the state of Arizona (hereafter, “the Charter Operator”), and the Board.
3. The Charter was signed by Lisa Cohne, as Charter Representative and the person authorized to sign for the Charter Operator.
4. Pursuant to A.R.S. § 15-183 and the Charter, the Board sponsored the Charter Operator to operate one school site to serve students in grades 8 through 12.
5. The Charter between the Charter Operator and the Board was executed on July 9, 2001.
6. On or about August 1, 2011, the Charter Operator received \$15,713.50 in state equalization assistance monies for the education of students in school year 2011-2012 (fiscal year 2012).

7. On August 8, 2011, the Charter Operator notified the Board that it would not open for the 2011-2012 school year, stating that it had lost the lease on the property on which the School was located and needed to find another location and reorganize. Additionally, the Charter Operator states that, without its approval, the School principal notified families of enrolled students that the School would not open for the 2011-2012 school year.

8. On August 19, 2011, the Charter Operator submitted a Request for Temporary Suspension of Operation to the Board.

9. October 12, 2011, the Board denied the Charter Operator's request for a temporary suspension of the School's operation.

10. A.R.S. § 15-183(E)(3) and the Charter require that the Charter Operator provide a comprehensive program of instruction and educational services according to the educational standards established by law.

11. A.R.S. § 15-341.01 requires that instruction be conducted in the School for sessions totaling at least 180 days¹ each school year.

12. The Charter Operator failed to provide instruction to its students during the school year 2011-2012 (fiscal year 2012).

13. A.R.S. § 15-183(E)(6) and -914 and the Charter require that the Charter Operator undergo an annual financial statement audit, including the completion of a legal compliance questionnaire, by an independent certified public accountant.

14. Audit contracts and the completed audit reports for charter schools sponsored by the Board must be approved by the Board. A.R.S. § 15-914 (Laws 1999, 1st Spec. Sess., Ch. 4, Sec. 15, pars. C and D); Arizona Administrative Code R7-5-502 and R7-5-503.

15. The Charter Operator's annual financial statement audit and legal compliance questionnaire for the fiscal year ending June 30, 2011, was due to the Board by November 15, 2011.

16. To date, the Charter Operator has failed to submit its annual financial statement audit and legal compliance questionnaire for the fiscal year ending June 30, 2011, which were due to the Board by November 15, 2011.

17. A.R.S. § 10-11622 requires that all Arizona nonprofit corporations file an annual report with the Arizona Corporation Commission.

18. The Charter Contract of the Charter Operator and the Board requires the Charter Operator to remain in good standing with the applicable regulatory body (e.g., for an Arizona Corporation, the Arizona Corporation Commission).

19. The Charter Operator's annual report to the Arizona Corporation Commission was

¹ "180 days" means 180 days of instruction or an equivalent number of minutes of instruction per school year based on a different number of days of instruction approved by the charter school governing body. A.R.S. § 15-341.01.

due May 20, 2011. By letter dated August 23, 2011, the Arizona Corporation Commission informed the Charter Operator:

The Arizona Corporation Commission has determined that the following grounds exist under A.R.S. §10-1420 & 10-11420 for dissolving your corporation. . . .

ONE OR MORE OF THE CORPORATION'S ANNUAL REPORT(S) ARE PAST DUE. THE CORPORATION IS IN DANGER OF BEING ADMINISTRATIVELY DISSOLVED UNLESS ALL PAST DUE REPORTS AND ASSOCIATED FILING FEES ARE SUBMITTED WITHIN SIXTY DAYS OF THE EFFECTIVE DATE OF THIS NOTICE. . .

20. By letter dated October 27, 2011, the Arizona Corporation Commission informed the Charter Operator:

The Arizona Corporation Commission has determined that the following grounds continue to exist under A.R.S. §10-1420 & 10-11420 and therefore has administratively dissolved your corporation pursuant to A.R.S. § 10-1421 & 41-11421 on the effective date of this notice.

FAILURE TO FILE ANNUAL REPORT. . .

21. On November 21, 2011, the Board voted to issue a Notice of Intent to Revoke the Charter of the Charter Operator

22. On February 2, 2012, the Charter Operator submitted its annual report to the Arizona Corporation Commission.

CONCLUSIONS OF LAW

1. A.R.S. § 15-183(R) provides that the Board has oversight and administrative responsibility for the charter schools that it sponsors.

2. A.R.S. § 15-183(I)(3) provides that the Board may revoke a charter at any time if the charter school breaches one or more provisions of its charter.

3. The Charter of the Charter Operator and the Board provides the Board with the right to revoke the Charter for any violation of the Charter, or state, federal or local laws, ordinances or rules or regulations.

4. The Charter Operator breached its Charter and A.R.S. § 15-183(E)(3) and 15-341.01 when it failed to provide a comprehensive program of instruction for the requisite number of days during 2011-2012 school year (fiscal year 2012).

5. The Charter Operator breached its Charter and A.R.S. §§ 15-183(E)(6) and -914

any outstanding grant monies or allocation of education funds to the Arizona Department of Education in the manner directed by the Arizona Department of Education.

11. The Charter Operator shall expend the Classroom Site Funds it received, if any, in a manner consistent with its intent as specified in A.R.S. § 15-977.

12. The Charter Operator shall expend the Instructional Improvement Funds it received, if any, in a manner consistent with its intent as specified in A.R.S. § 15-979.

13. The Board accepts the surrender of the Charter Contract of Sierra Summit Academy, Inc. for the operation of Sierra Summit Academy.

14. The Charter Contract between the Board and Sierra Summit Academy, Inc. for the operation of Sierra Summit Academy is terminated effective June 30, 2011 for the purposes of further performance.

15. This Agreement is not binding on either party until both the Board and the Charter Operator's Governing Board accept it by a majority vote at a public meeting. This Agreement is effective immediately upon its approval and execution by the authorized representatives of the Board for Sierra Summit Academy, Inc. and the Board.

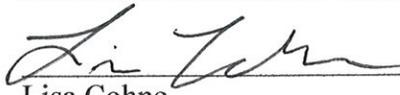
16. If the Board rejects this Agreement or any part of it, then this Agreement is null and void, and not binding on the Charter Operator or the Board.

17. Sierra Summit Academy, Inc. understands that it has the legal right to consult with an attorney prior to entering into this Agreement.

18. Each party shall be responsible for its own attorneys' fees and costs in this matter.

Jake Logan
President
Arizona State Board for Charter Schools

Date: _____

 as agent for
Lisa Cohne *Sierra Summit Academy*
As Charter Representative
and the person authorized to sign on behalf of Sierra Summit Academy, Inc.

Date: 5/16/12

Copy of the foregoing mailed this
____ day of _____, 2012 to:

Sierra Summit Academy, Inc.
Attention: Lisa Cohne, Statutory Agent
2280 S. Jamaica Blvd.
Lake Havasu City, AZ 86406

Lisa Cohne
Charter Representative and Statutory Agent, Sierra Summit Academy, Inc.
8848 Willow Hills Court
Sandy, UT 84093

By _____
2689761

Sierra Summit Academy

Board Meeting Minutes

5/11/12

I. Call to order

Sierra Summit Academy Board Meeting called to order at 6 pm MST on 5/11/12 via telephone number 801-243-8488.

II. Roll call

Lisa Cohne conducted a roll call. The following Board Members were present:
Lisa Cohne, Siamak Khadjenoury
No one representing the public called Phone # 801-243-8488 at or between 6pm - 6:30pm MST.

III. Actions

- a) Motion for Sierra Summit Academy Inc., and Sierra Summit Academy Charter School Volunteer to Surrender and Terminate the Charter Contract with The Arizona State Board of Charter Schools.

Discussion occurred between Siamak Khadjenoury and Lisa Cohne. The agreement submitted to Lisa Cohne was reviewed and read aloud in its entirety. Siamak Khadjenoury stated that it is important that the record reflect the sole purpose of Sierra Summit Academy was to serve students whose academic and emotional needs were not being met by any of the other schools in Cochise County. Mr. Khadjenoury noted several students who drove 30 miles from Tombstone, AZ to Hereford, AZ for 2 years.

The pride of student success is felt deeply by receipt of numerous emails and phone calls from students and families over the years. Sierra Summit Academy was a small school as rare and unique as the students it served. Siamak Khadjenoury 2nd the motion for Sierra Summit Academy Inc., and Sierra Summit Academy Charter School to voluntarily surrender and terminate the Charter Contract with The Arizona State Board of Charter School.

IV. Adjournment

Lisa Cohne adjourned the meeting at 6:35pm MST.