B.3.1 EDUCATION SERVICE PROVIDERS

X ***We intend to contract with or have a governance relationship with an education service provider***

Explanation for Contracting with a CMO

Southwest Leadership Academy (SLA) recognizes that new charter schools have considerable start-up responsibilities as well as substantial day-to-day education and operational tasks. As volunteers and visionaries, the Board's true interest lies in creating the mission of Southwest Leadership Academy and involving itself in policy decisions, providing certain approvals (curriculum, etc.) and review of academic achievement. Without the staffing or start-up capital, the Board sought an Education Service Provider (ESP) with a proven track record to realize its vision.

Rite of Passage, Inc. was chosen in particular because of their expertise and operations of multiple education campuses in Arizona, California, Colorado, Nevada, Maryland and Louisiana. These schools are licensed and accredited as a variety of different school types: Charter Schools, Private School, Private Day School, Non-Public School and a Voucher School. These schools also serve disadvantaged and at-risk youth, similar to SLA's target population. Rite of Passage also has a compatible mission with SLA and an emphasis on Positive Youth Development.

Furthering the Mission

In working with Rite of Passage, Southwest Leadership Academy will forge a collaboration that will meet its mission and vision of providing a comprehensive program of instruction to engage at-risk students and encourage them to succeed. Rite of Passage, through their own academies and schools, has demonstrated success in fostering social and academic skills that lead to retention and targeted achievement while promoting Positive Youth Development. Given ROP's proven success, Southwest Leadership Academy's students will build on their strengths and emerge with a stronger sense of what they can achieve when applying themselves to their own success.

A Management Agreement (see attached B.3.1 Exhibit 3) outlining the relationship between these two parties, including a clear description of services that will be provided by Rite of Passage, has been prepared and reviewed by the Southwest Leadership Academy Board members, and will be executed once a charter is awarded.

Services to be provided by CMO

Rite of Passage will provide comprehensive educational, professional, and administrative services to Southwest Leadership Academy in order to assist the school with achieving its mission and vision.

Educational Services
Aligned SLA's mission and vision of improving academic achievement through academic and

social skills instruction that will lead to student success, Rite of Passage will provide the curriculum, instructional services, instructional tools including educational materials and support with technology, equipment and supplies as well as any other educational services necessary for the provision of teaching and learning at the school. The educational services will be provided in accordance with the educational goals of SLA. Curriculum will be aligned with the Arizona's Common Core Standards, and further assistance in the following areas will be provided: method of student instruction and assessment, policies, school calendar, school schedule and students enrolled. Rite of Passage will also maintain accurate financial and student records pertaining to the operation of SLA.

Professional and Administrative Services
Rite of Passage will provide personnel management, facility operation and maintenance, business administration, budgeting and financial reporting, technology support for both hardware and software, technology plan, e-rate filing and compliance, and human resource and public relations support services. The organization will also manage transportation and food services for the students enrolled at SLA.

Beginning each school year, Rite of Passage will prepare an annual budget for approval by the Board. Other budget and financial services include detailed statements of all revenues, monthly statement of cash flow, facilitating annual audits, providing financial statements and other reports on the finances of SLA.

Rite of Passage will maintain accurate records (financial and student) pertaining to its operation of SLA. All records will be available to SLA and to all appropriate regulatory agencies for inspection. ROP will retain financial records for a period of five years or longer if required by Code or other law. Student records will be retained permanently on behalf of SLA as long as a management agreement is in place, and will turn over all records to SLA if a management agreement is not in place.

Rite of Passage will develop and set up the human resource policies and systems for recruiting and hiring Teachers, provide leadership skills training for Teachers and Administrators, set up financial systems including policies and procedures, accounting of school assets (A/R, A/P and GL), payroll processing and year-end audit, and oversee the operations and maintenance of the charter school facility. The administrative professional services will be provided in accordance with the educational program, management agreement and charter.

Performance and Accountability

Southwest Leadership Academy recognizes that Rite of Passage has extensive experience in collecting, maintaining and reporting school performance data. For example, at Ridge View Academy, a Charter School managed by ROP, school administration must track Key Performance Indicators and report them to Denver Public Schools and the Colorado Department of Youth Corrections. Additionally, Rite of Passage's education programs collect comprehensive assessment data for state departments of education school accountability measures, school accreditation, school board reports, and data driven decisions regarding curricula and instruction. The Board expects Rite of Passage to use this experience to provide and report upon the educational services it provides to SLA.

Performance Expectations and Accountability. The CMO will be responsible and accountable to

SLA for the provision of educational, professional and administrative services as outlined in the Management Agreement (and above). In addition, the CMO will be held accountable, and will be expected to perform the strategies and action steps of the school's Performance Management Plan. In particular, the Performance Management Plan (see Section A.5) includes specific strategies and action steps the CMO and its employees must take to meet or demonstrate sufficient progress toward an established Level of Adequate Academic Performance, as set by the SLA Board.

Southwest Leadership Academy will evaluate the performance of Rite of Passage's management of the school through the following mechanisms:

Dashboards. SLA Board will have access to dashboards which allow us to gauge instantly Rite of Passage's performance and progress toward SLA-specific goals. The dashboard's metrics will span areas including operations, finance and academics and are updated monthly.

The Board will require Rite of Passage to use dashboards similar to those introduced during a recent training provided to Board members through the Arizona Charter School Association. The Board will have access to these dashboards through a web-based Board portal in areas including:

- Financial Sustainability (revenue, reserves, etc.)
- Monthly Comparison of Budget vs. Revenue and Expenditures
- Monthly Tracking of Budget Average Daily Population (ADP) vs. Actual ADP
- Capacity – Staff (staff retention, staff attendance, new hires, ratios, etc.)
- Capacity – Student (enrollment, class sizes, attendance rate, tardies)
- Demographic Information (race, gender, free/reduced lunch recipients, Special Education, ELL/LEP, etc.)
- Social and Economic Impact Indicators (hours of community service, expulsions, injuries, etc.)
- Academic Dashboard
    - Performance (assessment data: MAP, READ 180, SAT scores, etc.)
    - Academics (graduation rate, AZ Learns Rating)

Key Performance Indicator reports (KPIs) are written reports provided to the Board by Rite of Passage on a monthly basis. Borrowing upon many of the areas reported in the Dashboards, the KPIs are a written report and another mechanism to evaluate Rite of Passage's performance in the areas including:

- Graduation Rate and Number of Students who continue on to college/employment
- Testing Scores and Student Achievement (assessments, AIMS, RIT scores)
- Community Service Hours
- Hours of Professional Development and Hours of PLC
- Parent Involvement
- Attendance Rates
- Continuous Quality Improvement Scores
- Human Resources Reports including recruitment, retention, and safety (number of staff recruited, annual evaluations and percentage of employees scoring in low, average, above average and excellent ranges, staff retention (turnover) ratios, and staff safety (workers' compensation))
- Financial Reports including reporting on comparison of board-approved budget to actual

- Measures of Academic Progress and RIT gains will be reported to the Board at least twice during the school year

Continuous Quality Improvement. Another accountability measure is the Continuous Quality Improvement initiative in which educators and administrators conduct a qualitative evaluation of the school. Similar to a "quality assurance" review, this process includes classroom observations and feedback regarding lesson delivery and instruction, evaluation of curriculum maps, assessments and assessment data, and monitoring of fidelity to the school and Board initiatives. This process culminates in a written report presented by the EMO to the Board.

Performance Management Plan. On an annual basis, the Board will approve SLA's Performance Management Plan. The Board expects the CMO and its Principal to present four written reports to the Board members each year which includes a summary and a final analysis of the data as documented in the Performance Management Plan. These reports provide an additional monitoring process for analyzing the effectiveness of Rite of Passage in implementing the action steps and the overall management plan. These reports include:

- RtI Procedures and Effectiveness
- Staff Development Plan and Effectiveness
- The Curriculum and Assessment Results and Analysis
- Continuous Quality Improvement (CQI) Results and Action Steps

As stated in the Performance Management Section (A.5), the first three reports will be completed during the summer after students have completed the academic year.

Board Meetings: Board meetings are another opportunity to discuss and review Rite of Passage's performance as it relates to operations, financial and academic performance. By reviewing dashboards and KPIs and other reports, the Board is given the information needed to measure and track the school's progress toward its goals.

ROP will also be responsible for preparing, at minimum, an annual budget for the Board of Directors approval. Amendments to this budget must be approved by the Board, and discussed during Board meetings. Budget performance is presented to the Board on a monthly basis, including a comparison of budgeted costs versus actual costs and is a Board agenda item. Any variances are reviewed and explained by Rite of Passage. Corrective action by the CMO is taken as necessary.

Annual Audits. The Board requires a financial audit completed annually by an independent outside CPA firm who presents the results of said audit to the Board of Directors within a reasonable amount of time after the audit is completed. The CPA firm outlines any issues discovered through the audit process that could impact the operations of the school and/or strengthen internal controls as part of said presentation. Rite of Passage will respond to any recommendations in writing to the Board of Directors.

Contingency Plans. The Board believes it has well-defined performance expectations and mechanisms to continually evaluate the performance of the CMO. With the mechanisms built in to evaluate performance, SLA Board will take an active role in guiding and discussing issues that arise. However, should Rite of Passage fail to provide the contracted services, the Board would require corrective action to remedy any deficit areas. If Rite of Passage fails to remedy deficits, the Board may terminate its Agreement as outlined in the Management Agreement. Above all, the Board recognizes its duties to the State and to its students, and other Charter Management

Organizations may be researched and solicited to assume the duties to continue the management of the school, should Rite of Passage fail.

Roles and Responsibilities

The roles and responsibilities of the applicant (Southwest Leadership Academy) and its CMO, Rite of Passage, are delineated through its Management Agreement and further outlined in Table 3. Generally, the Board is responsible for providing oversight, planning, direction and overall governance and policy decisions. The CMO and its employees (all staff will be employees of Rite of Passage and will be leased to the school) will be responsible for the day-to-day operations of the school as well as the operational start-up of the school.

Table 3 summarizes the specific roles and responsibilities from other sections to help detail the roles and responsibilities the CMO has in relation to SLA.

Table 3: Explanation of Each Entity's Role and Responsibilities

Entity	Role	Specific Responsibilities
Applicant: Southwest Leadership Academy (SLA)	Southwest Leadership Academy's role is establishing and maintaining the mission of Southwest Leadership Academy. SLA will make policy decisions, providing certain approvals (curriculum, etc.) and review academic achievement.	• Establish the mission and vision • Provide overall governance of the charter school • Fulfill its commitments and contractual obligations to the Arizona Department of Education and the State Board • Formulate policy and procedures needed to accomplish the educational mission of the school • Maintain full and accurate meeting minutes • Review and approve major organizational decisions, commitments and plans • Assist with the selection of a Principal in collaboration with CMO and CMO's Director of Education • Create a rotation system for Board membership and develop a method of sharing school information with parents, the charter management organization, and outside stakeholders • Approve annual budgets, review of annual audit, 990 Returns and monthly financial reports • Review/monitor academic achievement/performance of CMO • Act as the final body of appeal in grievance process • Working in conjunction with CMO to approve the core curriculum, class sizes and student-to-teacher ratios • Ensure the Board complies with State's Open Meeting Laws
Charter Management Organization (CMO): Rite of Passage, Inc.	Rite of Passage will serve as Charter Management Organization to Southwest Leadership Academy providing day-to-day management while fulfilling the mission and vision of the Board	ROP will provide comprehensive educational, professional and administrative services as outlined in this section and within the Management Agreement. All staff will be employees of ROP and will be leased to the school. • Principal manages the day-to-day operations of the school including implementing policies regulations and procedures • Vice-Principal will help manage school operations, manage a positive learning environment, comply with state testing • The Instructional Leader will set and enforce rigorous standards for student achievement • Teachers deliver instruction to the students

		• Counselor is responsible for related counseling, career advisement, formal assessments and vocational tests, and meeting Special Education requirements • Behavioral Mentors provide assistance and provide supervision, mentoring and instruction to ensure pro-social culture at school • Registrar and Janitor/Maintenance provide needed support and services