StarShine Academy - Entity ID 85807
Schools: StarShine Academy
Starshine St. John's

Renewal Executive Summary

Sources of Evidence for this Document

Pursuant to A.R.S. 15-183.I, a charter may be renewed for successive periods of twenty years. The Arizona State Board for Charter Schools (Board) has established a process for the renewal of a charter that is based on affirmative evidence in three areas:

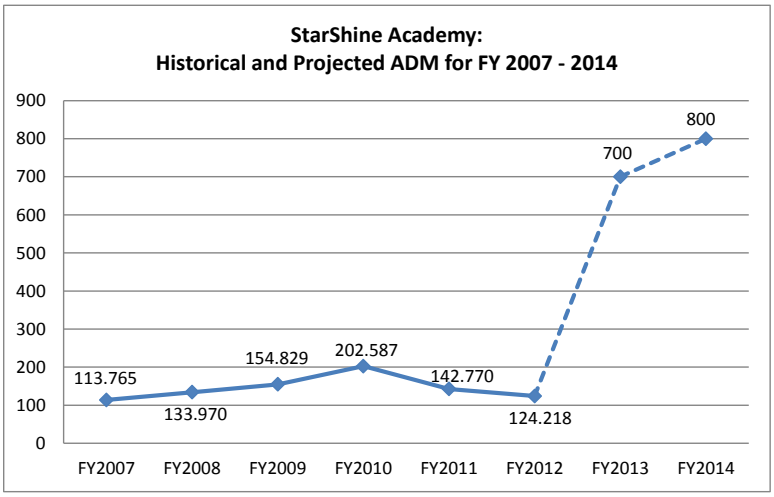
I. Success of the academic program, including academic achievement
II. Viability of the organization, including fiscal management and compliance
III. Adherence to the terms of the charter, including contract and legal compliance

Evaluation of the charter holder's success in these three areas is based on a variety of information that will serve as sources of evidence in determining renewal of a charter. These sources include, but are not limited to:

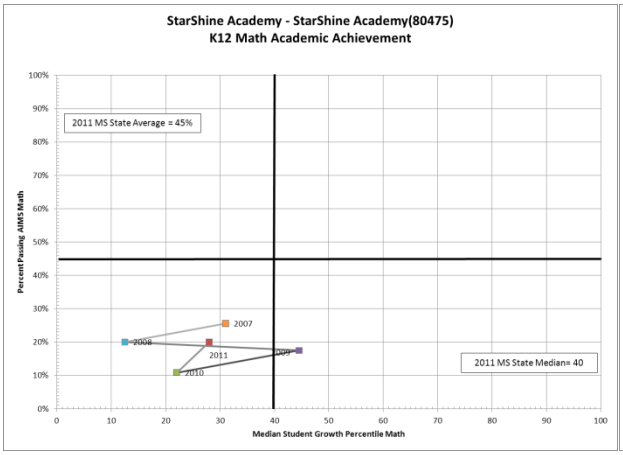
- Pupil achievement data
- Independent financial audits
- Five-year interval summary reviews
- Site visit reports
- Monitoring reports
- Application package for renewal

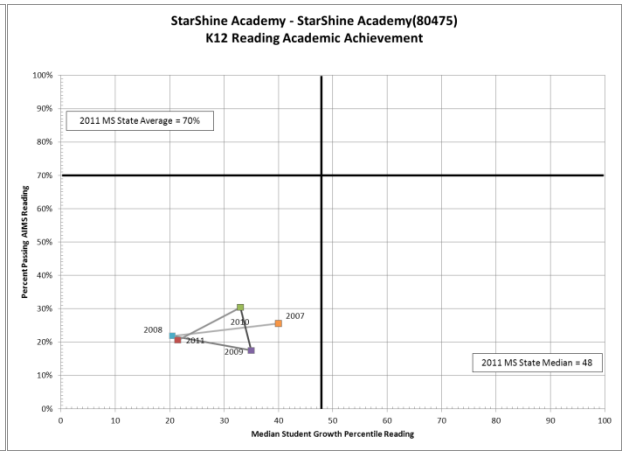
Profile

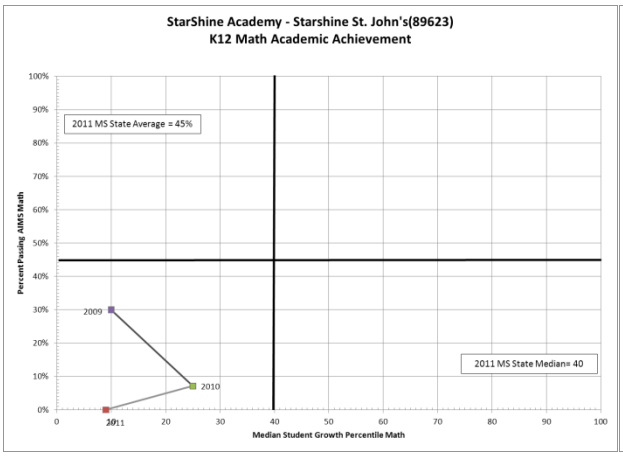
StarShine Academy operates two school(s) serving grades K-12. The StarShine Academy site is designated an alternative school. The graph below shows the charter holder's actual 100th day average daily membership (ADM) for fiscal years 2007-2011 and the fiscal year 2012 ADM or estimated count as of April 16, 2012, and projected ADM through 2015. Projections were provided by the charter holder as part of the submitted Renewal Budget Plan.

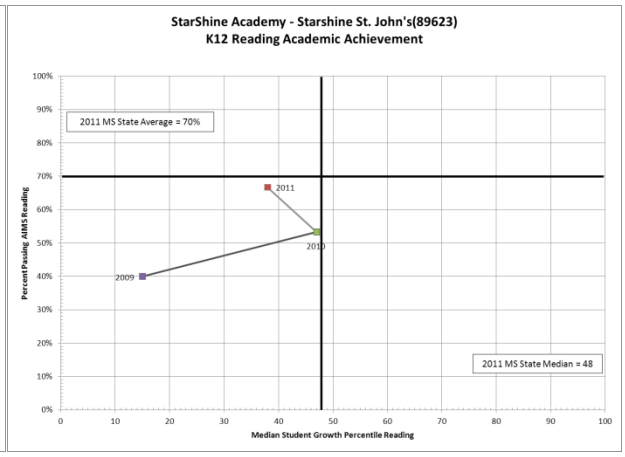


Graphs displaying the academic achievement for the past five years, if available, are provided below.









I. Success of the Academic Program

The academic performance of the schools operated by the charter holder did not meet or demonstrate sufficient progress toward the Board's level of adequate academic performance. Therefore, the charter holder was required to submit a Performance Management Plan in the academic section of the renewal application and to complete the Renewal Budget Plan.

On March 27, the charter holder submitted the PMP narrative, templates, and oversight documentation.

A leadership team discussion took place on May 3 at the administrative office with Trish McCarty (Charter Representative), Janet Rodgers (Special Education and Art teacher), Jan Parsons (Assistant Headmaster), Dr. Byron Davies (Chief Solutions Architect), and Nikki Nagle (Secondary teacher). In the PMP narrative submitted, pages 23 – 38 deal specifically with the requirements of the application. The additional information, at the beginning of the narrative and at the end, was not required for the PMP and was not evaluated. Some of that additional information, primarily regarding the new school site development, was part of the leadership team discussion because execution of the action steps in the PMP is dependent on a drastic increase in the current enrollment, from 124 to 700 ADM, at the school sites and tied closely to building the new facility. Staff sought to clarify the feasibility of achieving the enrollment target for the 2012-2013 school year and beyond for the purpose of the determining the viability of the PMP. The charter holder has not conducted a feasibility study and does not have students on a waiting list but the leadership team claimed the neighborhood where StarShine Academy is currently located and where the new school will be located is densely populated. According to the team, area schools are at capacity. For StarShine Academy – St. John's, the team said that a private school in the area was closing and that might lead to additional enrollment. The leadership team said that, if the enrollment is not at capacity, the plan would be modified to meet the available budget.

The charter holder had an additional school site, StarShine Global Transitions, during the 2009-2010 school year. For the 2010-2011 school year, the charter holder relocated the school site and changed the name of the school to StarShine Fay Landrum but closed the site in October, 2010.

Required submissions for the Academic Performance Section and the Renewal Budget Plan, as well as the applicable evaluation instrument and checklist, are included in the charter holder's portfolio. The evaluation instrument completed by staff identifies whether the required information provided included a Full Description, a Partial Description, or a Very Limited Description. The checklist completed by staff identifies whether the required elements of the Detailed Business Plan were addressed.

II. Viability of the Organization

The charter holder meets the standards specified in the *Renewal Application Instructions*. Therefore, the charter holder was not required to submit the charter holder's Financial Sustainability portion of the Detailed Business Plan Section.

III. Adherence to the Terms of the Charter

A. Compliance Matters Requiring Board or Other Agency Action[1]

Over the past six years, there were no items to report.

B. Other Compliance Matters[2]

In February 2007 the Arizona Department of Education, Exceptional Student Services (ADE/ESS) conducted an on-site monitoring and identified partial non-compliance issues. A corrective action plan was submitted by the charter holder. ADE/ESS reported that the charter holder completed required follow-up activities and was in compliance on January 30, 2008.

The fiscal year 2011 audit identified a repeat issue that required a corrective action plan (CAP). Specifically, the audit indicated that for one employee, the fingerprint clearance card had expired. The card expired on September 13, 2011 and the school did not submit for renewal until September 19, 2011. This issue was also identified in the fiscal year 2010 audit. Specifically, in fiscal year 2010, the audit indicated that for one employee, the fingerprint clearance card expired on August 26, 2010. A renewal application was not submitted until October 6, 2010. The charter holder submitted satisfactory CAPs in both fiscal years.

The fiscal year 2008 audit identified a repeated issue involving certain amounts reported to ADE in the Annual Financial Report not agreeing with the financial statements.

During fiscal years 2007 through 2012, the charter holder has failed to timely submit member and employer contributions to the Arizona State Retirement System (ASRS). Beginning in mid-fiscal year 2010 and continuing to present, the charter holder's number of days delinquent has been increasing (i.e., 6 pay periods in fiscal year 2010 that were 10 or more days delinquent, 6 pay periods, so far, in fiscal year 2012 that were 20 or more days delinquent and an additional 4 pay periods that were 10 to 19 days delinquent). As of the most recent ASRS Delinquency Report available, which is dated April 25, 2012, the charter holder had submitted member and employer contributions to ASRS through February 15, 2012. The report indicates that as of April 25, 2012, the charter holder is 42 days delinquent in its contributions. Contributions are due to ASRS 14 days after the pay period ending.

At the time of this report, the charter holder is not in good standing with the Arizona Corporation Commission for failing to submit the 2012 Annual Report which was due on April 28, 2012.

C. Charter Holder's Organizational Membership

Because the organizational membership on file with the Board was consistent with the information on file with the Arizona Corporation Commission, the charter holder was not

[1] For more information about the areas of compliance reviewed for this section, please see the "Renewal Guide".
[2] For more information about the areas of compliance reviewed for this section, please see the "Renewal Guide".

required to submit the charter holder's Organizational Membership portion of the Detailed Business Plan Section.

Board Options

Option 1: The Board may approve the renewal. The following language is provided for consideration: Renewal is based on consideration of academic, fiscal and contractual compliance of the charter holder. In this case, there is a record of academic performance below the Board's level of adequate academic performance, which has been addressed by the charter holder through the inclusion of a performance management plan as part of the renewal application package and can be incorporated in the charter contract. There is also a record of past contractual noncompliance which has been reviewed. With that taken into consideration as well as all information provided to the Board for consideration of this renewal application package and during its discussion with representatives of the charter holder, I move to approve the request for charter renewal and grant a renewal contract to StarShine Academy that incorporates the performance management plan.

Option 2: The Board may deny the renewal. Staff recommends the following language for consideration: Based upon a review of the information provided by the representatives of the charter holder and the contents of the application package which includes the academic performance, the fiscal compliance, and legal and contractual compliance of the charter holder over the charter term, I move to deny the request for charter renewal and to not grant a renewal contract for StarShine Academy. Specifically, the charter holder, during the term of the contract, failed to meet the obligations of the contract or failed to comply with state law when it:

1. Failed to provide a learning environment that improved pupil achievement in accordance with A.R.S. § 15-181(A).
2. Failed to comply with the fingerprinting requirements in accordance with A.R.S. § 15-183(C)(5).
3. Failed to comply with state laws regarding member and employer contributions to the Arizona State Retirement System.
4. Failed to be in good standing with the Arizona Corporation Commission.
5. Other specific reasons the Board may have found during its consideration including...