The Griffin Foundation, Inc. - Entity ID 79500

School: Children Reaching for the Sky Preparatory, Future Investment Middle School

Renewal Executive Summary

I. Performance Summary

Area	Acceptable	Not Acceptable
Academic Framework	☐	☒
Financial Framework	☐	☒
Operational Framework	Not Yet Rated See Section VII	Not Yet Rated See Section VII

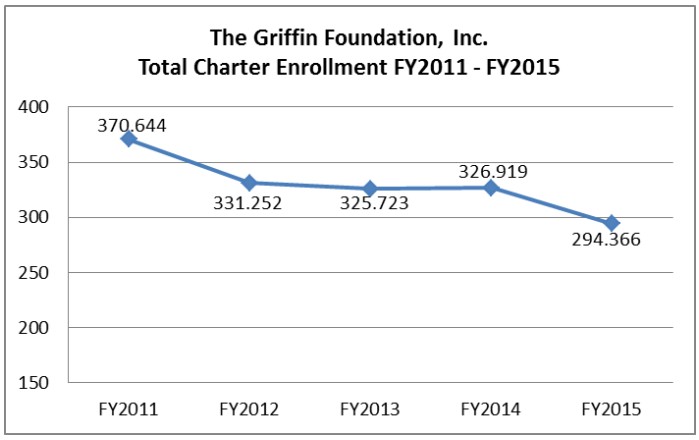
During the five-year interval review of the charter, The Griffin Foundation, Inc. was required to submit a Performance Management Plan as an intervention because the schools operated by the Charter Holder, Children Reaching for the Sky Preparatory and Future Investment Middle School, did not meet the academic expectations set forth by the Board. At the time The Griffin Foundation, Inc. became eligible to apply for renewal the Charter Holder did not meet the Academic Performance Expectations of the Board as set forth in the Performance Framework and was required to submit a Demonstration of Sufficient Progress as part of the renewal application package. The Charter Holder was unable to demonstrate the school is making sufficient progress toward the Board's expectations through the submission of the required information or evidence reviewed during an on-site visit. In the most recent fiscal year for which there is State assessment data available, Children Reaching for the Sky Preparatory and Future Investment Middle School received overall ratings of "Does Not Meet" the Board's academic standards.

The Charter Holder did not meet the Financial Performance Expectations of the Board as set forth in the Performance Framework and was required to submit a Financial Performance Response.

The Charter Holder does have compliance matters, which are described in the "Adherence to the Terms of the Charter" section of this report.

II. Profile

The Griffin Foundation, Inc. operates two schools in Tucson, Children Reaching for the Sky Preparatory, serving grades K-5, and Future Investment Middle School, serving grades 6-8. The graph below shows the Charter Holder's actual 100th day average daily membership (ADM) for fiscal years 2011-2015.



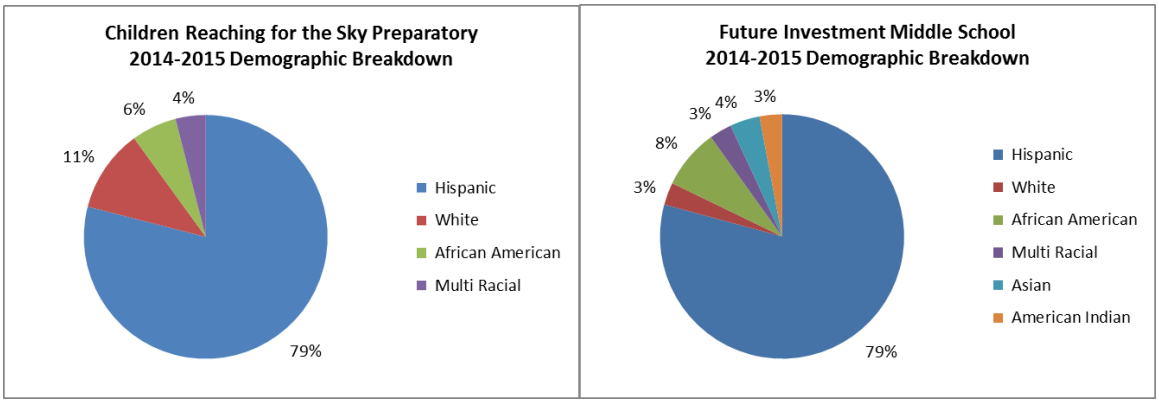
The academic performance of Children Reaching for the Sky Preparatory and Future Investment Middle School is represented in the table below. The Academic Dashboards for each school can be seen in the portfolio: c. Academic Dashboards, i. Academic Dashboard – Children Reaching for the Sky Preparatory and ii. Academic Dashboard – Future Investment Middle School.

School Name	Opened	Current Grades Served	2012 Overall Rating	2013 Overall Rating	2014 Overall Rating
Children Reaching for the Sky Preparatory	07/01/2001	K – 5	67.19 / B	31.25 / D	46.88 / C
Future Investment Middle School	08/17/2009	6-8	43.75 / D	41.88 / D	47.5 / C

The website for The Griffin Foundation, Inc. describes the schools it operates as "committed to a 21st century learning agenda that prepares our students well for what comes after their PreK-8 grade journey". The website also states that the schools it operates "have been labeled 'Performing Plus or Performing' since the existence of our school district in 2001" and that the performance ratings "are an indication that the schools consistently reach above average levels of student achievement".

Children Reaching for the Sky Preparatory received an achievement profile of Performing for FY2010 and FY2011. However, Future Investment Middle School received an achievement profile of Underperforming in FY2010, and Performing in FY2011.

The demographic data for Children Reaching for the Sky Preparatory and Future Investment Middle School from the 2014-2015 school year is represented in the charts below.[1]



The percentage of students who were eligible for Free and Reduced Lunch, classified as English Language Learners, and classified as students with disabilities in the 2013-2014 school year is represented in the table below.[2]

Category	Children Reaching for the Sky Preparatory	Future Investment Middle School
Free and Reduced Lunch (FRL)	87%	88%
English Language Learners (ELLs)	19%	8%
Special Education	8%	8%

[1] Information provided by the Research and Evaluation Division of the ADE.
[2] Information provided by the Research and Evaluation Division of the ADE. If the percentage of students in a non-ethnicity-based demographic group is not reported to ADE, or is 0% or 100%, the percentage for that demographic group is redacted.

The Griffin Foundation, Inc. has not been brought before the Board for any items or actions in the past 12 months.

III. Additional School Choices

The schools operated by The Griffin Foundation, Inc. are located in Tucson near East Silverlake Road and South Alvernon Way. The following information identifies additional schools within a five mile radius of the school and the academic performance of those schools.

Children Reaching for the Sky Preparatory

There are 58 schools serving grades K-5 within a five mile radius of Children Reaching for the Sky Preparatory. The table below provides a breakdown of those schools. Schools are grouped by the A - F letter grade assigned by the ADE. For each letter grade, the table identifies the number of schools assigned that letter grade, the number of those schools that are charter schools, the number of the charter schools that are meeting the Board's academic performance standard for FY14, and the number of schools serving a comparable percentage of students (± 5%) in the identified subgroups.[3]

Children Reaching for the Sky Preparatory				87%	19%	8%
Letter Grade	Within 5 miles	Charter Schools	Meets Board's Standard	Comparable FRL (± 5%)	Comparable ELL (± 5%)	Comparable SPED (± 5%)
A	13	5	5	1	0	9
B	18	3	1	6	7	11
C	18	3	0	4	7	10
D	7	1	0	3	3	3
F	2	0	0	1	0	0

Future Investment Middle School

There are 38 schools serving grades 6-8 within a five mile radius of Future Investment Middle School. The table below provides a breakdown of those schools. Schools are grouped by the A - F letter grade assigned by the ADE. For each letter grade, the table identifies the number of schools assigned that letter grade, the number of those schools that are charter schools, the number of the charter schools that are meeting the Board's academic performance standard for FY14, and the number of schools serving a comparable percentage of students (± 5%) in the identified subgroups.[4]

Future Investment Middle School				88%	8%	8%
Letter Grade	Within 5 miles	Charter Schools	Meets Board's Standard	Comparable FRL (± 5%)	Comparable ELL (± 5%)	Comparable SPED (± 5%)
A	8	5	5	1	3	2
B	10	4	3	1	4	8
C	14	2	0	2	6	10
D	3	0	0	2	2	2
F	3	0	0	1	0	0

[3] Information provided by the Research and Evaluation Division of the ADE. If the percentage of students in a non-ethnicity-based demographic group is not reported to ADE, or is 0% or 100%, the percentage for that demographic group is redacted.
[4] Information provided by the Research and Evaluation Division of the ADE. If the percentage of students in a non-ethnicity-based demographic group is not reported to ADE, or is 0% or 100%, the percentage for that demographic group is redacted.

IV. Success of the Academic Program

For FY2013 and FY2014 both schools operated by The Griffin Foundation, Inc. did not meet the Board's academic standards. From FY2012 to FY2013 both schools showed a decline in overall rating points. Children Reaching for the Sky Preparatory declined by 35.94 points, Future Investment Middle School declined by only 1.87 points. In FY2014 both schools showed an increase in overall rating scores from the prior year and improved letter grade from D to C. Children Reaching for the Sky Preparatory improved in overall rating by 15.63 points, which resulted in the school being evaluated as "Does Not Meet" the Board's academic standards. Future Investment Middle School improved in overall rating by 5.62 points. Although both schools are rated as Falls Far Below for Percent Passing – Math and Subgroup FRL – Math, each school improved SGP – Math from Falls Far Below to Does Not Meet. This was the only measure that showed improvement at both schools.

The following is a timeline of activities that have occurred related to the academic performance of The Griffin Foundation, Inc.:

May, 2011: The Griffin Foundation, Inc. was notified that the Charter Holder was required to submit a Performance Management Plan on or before September 1, 2011 for the five-year interval review because Children Reaching for the Sky Preparatory and Future Investment Middle School, schools operated by the Charter Holder, did not meet the Academic Expectations set forth by the Board.

September, 2011: The Griffin Foundation, Inc. timely submitted a Performance Management Plan (portfolio: g. Prior Academic Intervention Submissions and Evaluations – ii. Performance Management Plan).

February, 2013: The Board released FY2012 Academic Dashboards; Children Reaching for the Sky Preparatory received an overall rating of "Meets" the Board's academic standards, Future Investment Middle School received an overall rating of "Does Not Meet" the Board's academic standards and The Griffin Foundation, Inc. did not meet the Board's Academic Performance Expectations. The Charter Holder was assigned a Demonstration of Sufficient Progress (DSP) for Future Investment Middle School as part of an annual reporting requirement (portfolio: g. Prior Academic Intervention Submissions and Evaluations – i. FY2012 DSP Submission).

September, 2013: The Board released FY2013 Academic Dashboards; Children Reaching for the Sky Preparatory received an overall rating of "Falls Far Below" the Board's academic standards, Future Investment Middle School received an overall rating of "Does Not Meet" the Board's academic standards. Therefore, The Griffin Foundation, Inc. did not meet the Board's Academic Performance Expectations. The Charter Holder was not assigned a DSP as part of an annual reporting requirement because a final evaluation of the FY2012 DSP had not yet been completed.

January, 2014: Following a preliminary evaluation of the FY2012 DSP, Board staff conducted a site visit on January 23rd to meet with the school's leadership and review all evidence provided by the Charter Holder. The Charter Holder was able to submit additional evidence for 48 hours after the site visit.

September, 2014: The Board released FY2014 Academic Dashboards; Children Reaching the Sky Preparatory and Future Investment Middle School received an overall rating of "Does Not Meet" the Board's academic standards. Therefore, The Griffin Foundation, Inc. did not meet the Board's Academic Performance Expectations. The Charter Holder was not assigned a DSP as part of an annual reporting requirement because a final evaluation of the FY2012 DSP had not yet been completed and the Charter Holder would become eligible for renewal within the fiscal year.

November, 2014: Board staff provided the Charter Holder, through its authorized representative, Lee Griffin, with Renewal Notification Information, which included notification of the renewal process, the date on which the Charter Holder would become eligible to apply for renewal (November 22nd), the deadline date on which the renewal application package would be due to the Board (February 23rd), information on the availability of the Charter Holder's renewal application as well as instruction on how to access the renewal application, and notification of the requirement to submit a DSP as a component of its renewal application package because the Charter Holder did not meet the Academic Performance Expectations set forth by the Board.

V. Demonstration of Sufficient Progress

A renewal application package with a Renewal DSP for The Griffin Foundation, Inc. (portfolio: f. Renewal DSP Submission) was timely submitted by the Charter Representative on February 23rd. The Charter Holder was provided a copy of the initial evaluation of the DSP Report prior to the site visit and informed that areas initially evaluated as not acceptable must be addressed with additional evidence and documentation at the time of the visit.

Following a preliminary evaluation of the DSP, staff conducted a site visit to meet with the school's leadership, as selected by the school, to confirm evidence of the processes described in the DSP and review additional evidence to be considered in the final evaluation of the Charter Holder's DSP submission. The following representatives of The Griffin Foundation, Inc. were present at the site visit:

Name	Role
Lee Griffin	Superintendent
Mary Heidinger	Assistant to the Principal
Kim Morlock	IT Director

At the site visit, Board staff completed a document inventory for all evidence presented by the Charter Holder (portfolio: e. Renewal DSP Site Visit Inventory Forms). The Charter Holder was provided a copy of the document inventory at the end of the site visit. Following the site visit, Board staff completed a final evaluation of the DSP (portfolio: d. Renewal DSP Final Evaluation). The following is a summary of the final DSP Evaluation:

Evaluation Summary			
Area	DSP Evaluation		
	Meets	Does Not Meet	Falls Far Below
Data	☐	☐	☒
Curriculum	☒	☐	☐
Assessment	☐	☒	☐
Monitoring Instruction	☐	☒	☐
Professional Development	☐	☐	☒

After considering information in the DSP Report and evidence provided at the time of the site visit, the Charter Holder did not demonstrate evidence of a sustained improvement plan that includes implementation of a comprehensive assessment system, a comprehensive instructional monitoring system, a comprehensive professional development system, Additionally, the data provided by the Charter Holder failed to show improvement year-over-year for the two most recent school years, and

demonstrated declines in academic performance, in 10 out of the 12 measures for Children Reaching the Sky Preparatory and 8 out of 12 measures for Future Investment Middle school of the measures required by the Board.

Based on the findings summarized above and described below, staff determined that the Charter Holder did not demonstrate sufficient progress towards meeting the Board's Academic Performance Expectations.

Data

The area of Data is evaluated as Falls Far Below. As evidenced at the DSP site visit, the data provided by the Charter Holder failed to show improvement year-over-year for the two most recent school years, in 10 out of the 12 measures required by the Board for Children Reaching the Sky Preparatory and 8 out of 12 measures for Future Investment Middle school, and demonstrated declines in academic performance in some of those measures. For more detailed analysis see Data Inventory (portfolio: e. Renewal DSP Site Visit Inventory Forms, i. Site Visit Inventory – Data).

Children Reaching for the Sky Preparatory				
Question	**Valid and Reliable Data**	**Comparative Data provided for Current Fiscal Year**	**Comparative Data Demonstrates Growth**	**Document Inventory Item**
Student Median Growth Percentile (SGP) - Math	Yes	Yes	No	D1
Student Median Growth Percentile (SGP) - Reading	Yes	Yes	No	D2
Student Median Growth Percentile Bottom 25% - Math	Yes	Yes	No	D3
Student Median Growth Percentile Bottom 25% - Reading	Yes	Yes	No	D4
Percent Passing - Math	Yes	Yes	No	D5
Percent Passing - Reading	Yes	Yes	Yes	D6
Subgroup, ELL - Math	Yes	Yes	No	D7
Subgroup, ELL - Reading	Yes	Yes	Yes	D8
Subgroup, FRL - Math	Yes	Yes	No	D9
Subgroup, FRL - Reading	Yes	Yes	No	D10
Subgroup, students with disabilities - Math	Yes	Yes	No	D11
Subgroup, students with disabilities - Reading	Yes	Yes	No	D12
Future Investment Middle School				
Question	**Valid and Reliable Data**	**Comparative Data provided for Current Fiscal Year**	**Comparative Data Demonstrates Growth**	**Document Inventory Item**
Student Median Growth Percentile (SGP) -	Yes	Yes	No	D1

Math				
Student Median Growth Percentile (SGP) - Reading	Yes	Yes	No	D2
Student Median Growth Percentile Bottom 25% - Math	Yes	Yes	Yes	D3
Student Median Growth Percentile Bottom 25% - Reading	Yes	Yes	No	D4
Percent Passing - Math	Yes	Yes	Yes	D5
Percent Passing - Reading	Yes	Yes	No	D6
Subgroup, ELL - Math	Yes	Yes	No	D7
Subgroup, ELL - Reading	Yes	Yes	No	D8
Subgroup, FRL - Math	Yes	Yes	Yes	D9
Subgroup, FRL - Reading	Yes	Yes	No	D10
Subgroup, students with disabilities - Math	Yes	Yes	No	D11
Subgroup, students with disabilities - Reading	Yes	Yes	Yes	D12

Curriculum

The area of Curriculum is evaluated as Meets. As demonstrated by the evidence provided at the DSP site visit, the Charter Holder has consistently implemented a comprehensive curriculum system that addresses each of the required elements. For more detailed analysis see Curriculum Inventory (portfolio: e. Renewal DSP Site Visit Inventory Forms, ii. Site Visit Inventory – Curriculum).

Question	Sufficient Evidence	Document Inventory Item
Evaluating Curriculum		
What is the Charter Holder's process for evaluating curriculum? How does the Charter Holder evaluate how effectively the curriculum enables students to meet the standards?	Yes	C1
How does the Charter Holder identify gaps in the curriculum?	Yes	C2
Adopting/Revising Curriculum		
What is the Charter Holder's process for adopting or revising curriculum based on its evaluation processes?	Yes	C3
Who is involved in the process for adopting or revising curriculum?	Yes	C4
When adopting curriculum, how does the Charter Holder evaluate curriculum options to determine which curriculum to adopt?	Yes	C5
Implementing Curriculum		
What is the Charter Holder's process for ensuring consistent implementation of the curriculum across the school(s) operated by the Charter Holder?	Yes	C6
What tools exist that identify what must be taught and when it must be delivered? How does the Charter Holder ensure that all grade-level standards are covered within the academic year?	Yes	C7
What is the expectation for consistent use of these tools? How are these expectations communicated?	Yes	C8
What evidence is there to demonstrate usage of these tools in the classroom and alignment with instruction?	Yes	C9
Alignment of Curriculum		
How does the Charter Holder know the curriculum is aligned to standards?	Yes	C10
Adapted to Meet the Needs of Subgroups		
How has the Charter Holder ensured that the curriculum addresses the needs of students with proficiency in the bottom 25%/non-proficient students?	Yes	C11
How has the Charter Holder ensured that the curriculum addresses the needs of English Language Learners (ELLs)?	Yes	C12
How has the Charter Holder ensured that the curriculum addresses the needs of Free and Reduced Lunch (FRL) students?	N/A	C13
How has the Charter Holder ensured that the curriculum addresses the needs of students with disabilities?	Yes	C14

Assessment

The area of Assessment is evaluated as Does Not Meet. As demonstrated by the evidence provided at the DSP site visit, the Charter Holder has consistently implemented a limited assessment approach. At the DSP site visit, the Charter Holder sufficiently demonstrated some of the components of these required elements, but failed to sufficiently demonstrate all components of the required elements. For more detailed analysis see Assessment Inventory (portfolio: e. Renewal DSP Site Visit Inventory Forms, iii. Site Visit Inventory – Assessment).

Question	Sufficient Evidence	Document Inventory Item
Assessment System		
What types of assessments does the Charter Holder use?	Yes	A1
What was the process for designing or selecting the assessment system?	No	A2
How is the assessment system aligned to the curriculum and instructional methodology?	Yes	A3
What intervals are used to assess student progress? How does the assessment plan include data collection from multiple assessments, such as formative and summative assessments and common/benchmark assessments?	Yes	A4
Analyzing Assessment Data		
How does the assessment system provide for analysis of assessment data? What intervals are used to analyze assessment data?	No	A5
How is the analysis used to evaluate instructional and curricular effectiveness?	No	A6
How is the analysis used to adjust curriculum and instruction in a timely manner? What intervals are used to adjust curriculum and instruction?	Yes	A7
Adapted to Meet the Needs of Subgroups		
How is the assessment system adapted to meet the assessment needs of students with proficiency in the bottom 25%/non-proficient students?	Yes	A8
How is the assessment system adapted to meet the assessment needs of English Language Learners (ELLs)?	Yes	A9
How is the assessment system adapted to meet the assessment needs of Free and Reduced Lunch (FRL) students?	N/A	A10
How is the assessment system adapted to meet the assessment needs of students with disabilities?	Yes	A11

Monitoring Instruction

The area of Monitoring Instruction is evaluated as Does Not Meet. As demonstrated by the evidence provided at the DSP site visit, the Charter Holder has consistently implemented a limited instructional monitoring approach. At the DSP site visit, the Charter Holder sufficiently demonstrated the some of the components of these required elements, but failed to sufficiently demonstrate all components of these required elements. For more detailed analysis see Monitoring Instruction Inventory (portfolio: e. Renewal DSP Site Visit Inventory Forms, iv. Site Visit Inventory – Monitoring Instruction).

Question	Sufficient Evidence	Document Inventory Item
Monitoring the Integration of Standards		
What is the Charter Holder's process for monitoring the integration of standards into classroom instruction? How does the Charter Holder monitor whether or not instructional staff implements an ACCRS-aligned curriculum with fidelity?	Yes	M1
How does the Charter Holder monitor the effectiveness of standards-based instruction throughout the year?	Yes	M2
Evaluating Instructional Practices		
What is the Charter Holder's process for evaluating the instructional practices? How does this process evaluate the quality of instruction?	No	M3
How does this process identify individual strengths, weaknesses, and needs?	No	M4
Providing Analysis and Feedback to Further Develop Instructional Quality		
How does the Charter Holder provide feedback on strengths, weaknesses, and learning needs based on the evaluation of instructional practices?	No	M5
How does this Charter Holder analyze this information? What does the data about quality of instruction tell the Charter Holder? What has the Charter Holder done in response?	No	M6
Adapted to Meet the Needs of Subgroups		
How does the Charter Holder monitor instruction to ensure it is meeting the needs of students with proficiency in the bottom 25%/non-proficient students?	No	M7
How does the Charter Holder monitor instruction to ensure it is meeting the needs of English Language Learners (ELLs)?	No	M8
How does the Charter Holder monitor instruction to ensure it is meeting the needs of Free and Reduced Lunch (FRL) students?	N/A	M9
How does the Charter Holder monitor instruction to ensure it is meeting the needs of students with disabilities?	No	M10

Professional Development

The area of Professional Development is evaluated as Falls Far Below. As demonstrated by the evidence provided at the DSP site visit, the Charter Holder has implemented no efforts or fragmented, ad hoc efforts to provide professional development that is aligned with instructional staff learning needs, focuses on areas of high importance, addresses the needs of relevant subgroup populations, and supports high quality implementation; and monitoring follow-up to support and develop implementation of the strategies learned. The efforts lack intentionality and/or prior planning, and are not consistently implemented. For more detailed analysis see Professional Development Inventory (portfolio: e. Renewal DSP Site Visit Inventory Forms, v. Site Visit Inventory – Professional Development).

Question	Sufficient Evidence	Document Inventory Item
Professional Development System		
What is the Charter Holder's professional development plan?	Yes	P1
How was the professional development plan developed?	No	P2
How is the professional development plan aligned with instructional staff learning needs?	No	P3
How does this plan address areas of high importance?	Yes	P4
Supporting High Quality Implementation		
How does the Charter Holder support high quality implementation of the strategies learned in professional development sessions?	No	P5
How does the Charter Holder provide the resources that are necessary for high quality implementation?	Yes	P6
Monitoring Implementation		
How does the Charter Holder monitor the implementation of the strategies learned in professional development sessions?	No	P7
How does the Charter Holder monitor and follow-up with instructional staff to support and develop implementation of the strategies learned in professional development?	Yes	P8
Adapted to Meet the Needs of Subgroups		
How does the professional development plan ensure that instructional staff receives the type of development required to meet the needs of students with proficiency in the bottom 25%/non-proficient students?	No	P9
How does the professional development plan ensure that instructional staff receives the type of development required to meet the needs of English Language Learners (ELLs)?	No	P10
How does the professional development plan ensure that instructional staff receives the type of development required to meet the needs of Free and Reduced Lunch (FRL) students?	N/A	P11
How does the professional development plan ensure that instructional staff receives the type of development required to meet the needs of students with disabilities?	Yes	P12

VI. Viability of the Organization

The Charter Holder was required to submit a Financial Performance Response because it did not meet the Board's Financial Performance Expectations, as reflected in the table below which includes the Charter Holder's financial data and financial performance for the last three audited fiscal years. For 2014, the table below reflects that the Charter Holder had no unrestricted cash due to its Classroom Site Fund cash carryover balance ($73,342) exceeding its cash balance at June 30, 2014.

Financial Data				
Statement of Financial Position	**2014**	**2013**	**2012**	**2011**
Cash	$64,651	$64,757	$125,517	$145,348
Unrestricted Cash	$0	$18,918	$69,691	
Other Liquidity	$29,965	$50,391		
Total Assets	$6,820,506	$6,880,478	$7,133,152	
Total Liabilities	$6,639,923	$6,839,022	$6,904,074	
Current Portion of Long-Term Debt & Capital Leases	$157,571	$250,758	$206,105	
Net Assets	$180,583	$41,456	$229,078	
Statement of Activities	**2014**	**2013**	**2012**	
Revenue	$2,784,064	$2,712,617	$2,604,836	
Expenses	$2,644,937	$2,900,239	$2,778,326	
Net Income	$139,127	($187,622)	($173,490)	
Change in Net Assets	$139,127	($187,622)	($173,490)	
Financial Statements or Notes	**2014**	**2013**	**2012**	
Depreciation & Amortization Expense	$203,648	$265,349	$302,545	
Interest Expense	$445,037	$467,169	$376,356	
Lease Expense	-	-	-	
Financial Performance				
	2014	**2013**	**2012**	**3-yr Cumulative**
Near-Term Indicators				
Going Concern	No	No	No	N/A
Unrestricted Days Liquidity*	4.14	8.72	9.16	N/A
Default	No	No	No	N/A
Sustainability Indicators				
Net Income	$139,127	($187,622)	($173,490)	N/A
Cash Flow	($106)	($60,760)	($19,831)	($80,697)
Fixed Charge Coverage Ratio	1.31	0.76	0.87	N/A

* For fiscal year 2012, the field reflects the charter holder's performance under the financial framework's previous "Unrestricted Days Cash" measure.

The Charter Holder's Financial Performance Response has been provided in the meeting materials (portfolio: i. Supplemented Financial Response).[5] Staff's final evaluation of the Financial Performance Response resulted in zero "Acceptable" and two "Not Acceptable" determinations (portfolio: h. Financial Response Evaluation). An analysis of the Charter Holder's financial performance, focusing on those measures where the Charter Holder failed to meet the Board's target and using information from the Charter Holder's Financial Performance Response and related documents, is provided below.

Unrestricted Days Liquidity

The balance of the June 30, 2014 equalization assistance payment (approximately $100,000) was not transferred to the Charter Holder's bank account by the bond trustee until July 1, 2014. Due to the timing of this transfer, the delayed payment was not recorded as cash at the June 30, 2014 balance sheet date, but included as part of a larger pool of assets in the "escrow funds" account. If disclosed in the annual audit package this amount would have been counted as an "other source of liquidity" improving the measure from approximately 4 days to approximately eighteen days.

The Charter Holder identified other sources of liquidity including an opportunity to obtain credit from the Community Investment Corporation, which the Charter Holder has received loans from in the past. The Charter Holder also indicated that superintendent and business manager have the ability and the willingness to provide short-term personal loans to the Charter Holder to meet immediate needs if necessary.

Cash Flow

The Charter Holder indicated that decreases in fiscal year end cash balances since 2011 contributed to not meeting the target for this measure. The Charter Holder attributed the decreases to the elimination of full-day kindergarten funding and changes to the state equalization payment schedule, both of which took effect in 2011. The change in the payment schedule, combined with the loss of kindergarten funding, led the Charter Holder to borrow $130,000 from its bond operating reserve account to make up "for the short fall in revenue."

The response explains additional events that impacted the Charter Holder's performance on this measure, including a 2012 "budget cut in our Equalization revenue and Title 1 funds." While the Charter Holder was able to make up for the loss of revenue by reducing expenses, it could not make up for the entire loss because that would have required them to revise their budget. Instead, the Charter Holder decided to use its cash reserves to pay the excess budgeted expenses which led to a depletion of cash which, in turn, impacted this measure. The Charter Holder views this as a "trend" of using cash to cover expenses above budgeted levels, which continued into 2013.

The Charter Holder recognized that in order to obtain positive cash flow, it needed to be reducing expenses while concurrently increasing revenue. This was not something that the Charter Holder was able to accomplish until 2014, which the Charter Holder attributes to an improved budget performance that year. The Charter Holder indicated that "The school now has a better understanding of how to budget for not just positive Net Income, but also for Positive Cash Flow in each fiscal year and will work diligently through the remainder of this fiscal year to continue reviewing and, if necessary, reducing expenses in order to minimize or avoid a decrease in cash for this fiscal year."

[5] On April 8, 2015, Board staff emailed a copy of staff's initial evaluation and provided a deadline by which the Charter Holder could supplement its Financial Performance Response to address areas evaluated as "Not Acceptable". By the deadline, the Charter Holder submitted supplemental information.

VII. Adherence to the Terms of the Charter

Does the delivery of the education program and operation reflect the essential terms of the educational program as described in the charter contract?
Yes. Based on the available information in fiscal years 2013 and 2014 and the current fiscal year, the Charter Holder's education program, in operation, reflects the essential terms as described in the charter contract.

Does the Charter Holder adhere with applicable education requirements defined in state and federal law?
Yes. Based on the available information in fiscal years 2013 and 2014 and the current fiscal year, the Charter Holder adheres with applicable education requirements defined in state and federal law.

Do the Charter Holder's annual audit reporting packages reflect sound operations?
As reported in the current fiscal year, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to the annual audit reporting package ("audit"), except that the fiscal year 2014 audit included a minimal impact finding that has been identified in three or more consecutive audits involving the Charter Holder not having evidence to support all public meeting notices being posted on the website.

As reported in fiscal years 2013 and 2014, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to the fiscal years 2012 and 2013 audits, respectively.

Is the Charter Holder administering student admission and attendance appropriately?
Yes. Based on the available information and as reported in fiscal years 2013 and 2014 and the current fiscal year, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to administering student admission and attendance.

Is the Charter Holder maintaining a safe environment consistent with state and local requirements?
Yes. Based on the available information in fiscal years 2013 and 2014 and the current fiscal year, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to maintaining a safe environment.

Is the Charter Holder transparent in its operations?
Yes. Based on the available information in fiscal years 2013 and 2014 and the current fiscal year, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to transparency of operations.

Is the Charter Holder complying with its obligations to the Board?
Yes. Based on the available information in fiscal years 2013 and 2014 and the current fiscal year, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to its obligations to the Board.

Is the Charter Holder complying with reporting requirements of other entities to which the Charter Holder is accountable?
Based on the available information in the current fiscal year, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to the reporting requirements of other entities to which the Charter Holder is accountable.

Based on the available information in fiscal year 2014, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to the reporting requirements of other

entities to which the Charter Holder is accountable, except that the Charter Holder failed to timely submit its fiscal year 2014 Budget to the Arizona Department of Education.

Based on the available information and as reported in fiscal year 2013, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to the reporting requirements of other entities to which the Charter Holder is accountable.

Is the Charter Holder complying with all other obligations?
Yes. Based on the available information in fiscal years 2013 and 2014 and the current fiscal year, the Charter Holder complies with applicable laws, rules, regulations and provisions of the charter contract relating to all other obligations.

VIII. Board Options

Option 1: The Board may conditionally renew the charter with specific monitoring and reporting requirements to ensure the consistent and sustained implementation of the recent systemic changes identified in the DSP evaluation and that these changes result in improved academic performance. Staff recommends the following language provided for consideration: Having considered the statements of the representatives of the Charter Holder today and the contents of the renewal portfolio which includes the academic performance, the fiscal compliance, and legal and contractual compliance of the Charter Holder provided to the Board for consideration of this request for charter renewal, I move to deny the request for charter renewal and to not grant a renewal contract for The Griffin Foundation, Inc. on the grounds 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, the Inventory Documents, and the DSP Final Evaluation. The Charter Holder does, however, operate a school that has been designated with a letter grade of C in the current year and an average school (C by definition in statute) has the potential to improve its academic operations with the appropriate systemic changes and additional accountability. The Board, therefore, will grant a renewal contract to The Griffin Foundation, Inc. for the continuation of Children Reaching for the Sky Preparatory and Future Investment Middle School on the conditions that the Charter Holder agrees to: (1) be subject to specific monitoring and reporting requirements to ensure the Charter Holder immediately creates and implements a Performance Management Plan to make systemic changes that will align with the Performance Management Plan evaluation criteria and that these changes result in improved academic performance for FY2016 and FY2017; and (2) operation under the renewal contract contingent on meeting the terms of the monitoring and reporting requirements for FY2016 and FY2017. The terms of the monitoring and reporting requirement must be reached within 60 days of today's date or it is the Board's decision that The Griffin Foundation, Inc.'s request for renewal of its charter is denied for the reasons already specified.

Option 2: The Board may deny renewal with an opportunity for the Charter Holder to request review of the matter. The following language is provided for consideration: Having considered the statements of the representatives of the Charter Holder today and the contents of the renewal portfolio which includes the academic performance, the fiscal compliance, and legal and contractual compliance of the Charter Holder provided to the Board for consideration of this request for charter renewal, I move to deny the request for charter renewal and to not grant a renewal contract to The Griffin Foundation, Inc. on the basis 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, the Inventory Documents, and the DSP Final Evaluation. If upon release of the 2015 Dashboard, the charter school receives an Overall Rating that improves by at least once category as

compared to the 2014 Dashboard (DNM to Meets), the Charter Holder may, within 30 days, request the Board review the Dashboard to consider whether conditions exist to grant a renewal.

Option 3: The Board may deny the renewal. The following language is provided for consideration: Having considered the statements of the representatives of the Charter Holder today and the contents of the renewal portfolio which includes the academic performance, the fiscal compliance, and legal and contractual compliance of the Charter Holder provided to the Board for consideration of this request for charter renewal, I move to deny the request for charter renewal and to not grant a renewal contract to The Griffin Foundation, Inc. on the basis 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, the Inventory Documents, and the DSP Final Evaluation and currently operates schools that have received an overall rating of "Does Not Meet Standard" in the most recent fiscal year for which there is State assessment data available and "Does Not Meet Standard" and "Falls Far Below" in the prior fiscal year.

Option 4: Notwithstanding staff's recommendation to deny the renewal and grant a conditional renewal, the Board may determine that there is a basis to 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, the Charter Holder did not meet the academic performance expectations set forth in the Board's Performance Framework but was able to demonstrate sufficient progress toward the Board's expectations when it provided evidence that (1) it has implemented an improvement plan that includes a comprehensive curriculum system, comprehensive assessment system, comprehensive instructional monitoring system, and comprehensive professional development system, and (2): [*provide specific findings related to valid and reliable data that demonstrates improved academic performance*]. Additionally, the Board has adopted an academic Performance Framework that allows for additional consideration of the Charter Holder throughout the next contract period. With that taken into consideration, as well as having considered the statements of the representatives of the Charter Holder today and the contents of the renewal portfolio which includes the academic performance, the fiscal compliance, and legal and contractual compliance of the Charter Holder provided to the Board for consideration of this request for charter renewal, I move to approve the request for charter renewal and grant a renewal contract to The Griffin Foundation, Inc.