AGENDA ITEM: Request for the Temporary Suspension of Charter School Operation of Rising Schools, Inc.

Issue
Rising Schools, Inc. has submitted a request for the temporary suspension of the operation of the charter school, The Rising School, until August 4, 2014, citing issues with the lease of a school facility and why the planning year had been cancelled as the reasons for the request.

Policy Statement for a Temporary Suspension of Charter School Operation

Background
Rising Schools, Inc. (RSI) was granted a charter at the January 14, 2013, Board meeting to open a school in Tucson for the 2013-2014 school year, serving grades 6-12 through the new charter application process. On May 22, 2013, the charter holder executed the charter contract for RSI. As part of the charter contract, the charter holder agrees to provide a comprehensive program of instruction within twelve (12) months of the parties' execution of the Charter.

On June 20, 2013, George Rising, Authorized Representative of RSI, sent an email to Board staff informing the Board that the charter holder decided not to open in the 2013-2014 school year.

On June 27, 2013, Board staff sent an email to Mr. Rising, informing the charter holder that since their charter was executed on May 22, 2013, the charter holder was required to begin providing instruction to students within 12 months of the execution of RSI and that a one-time good cause suspension request could be submitted.

Summary of Letter Provided
On October 22, 2013 Mr. Rising submitted a letter requesting a one-time Good Cause Suspension Request to allow the charter school, The Rising School (TRS), to open in August 2014 (presented in the charter holder's portfolio: b. Letter to ASBCS). Mr. Rising stated that initially RSI was going to incorporate a planning year from April 2013 through July 2014 with funds received by the Arizona Charter School Program grant. Since the grant application had been denied on March 25, The TRS Board decided to move forward and open in August 2013. By April 12, RSI signed a lease for a facility located directly across the street from the Townsend Middle School, a Tucson Unified school that was being closed. The landlord of the facility also included $60,000 in tenant improvements (presented in the charter holder's portfolio: g: Exhibit 04 Lease agreement, page 13).

In early June, the landlord informed Mr. Rising that the tenant improvements would be increased over the allotted amount of $60,000. The additional cost is reflected as $90,000 more and future tenant improvements would cost another $600,000. Mr. Rising stated, "Thus, the cost was prohibitive, far above the budgeted amount." On June 13, the TRS Board voted to cease the operation of the school and open in 2014 rather than 2013, which provided the 14 students that had been recruited, two months to find another school and for teachers to find other employment.

In September, an agreement was made with the landlord to terminate the lease agreement with RSI. Since the grant application had been denied, RSI had also begun the appeal process in April and received a ruling from the Arizona State Board of Education that granted RSI the grant for $230,000 for FY 2014. Mr. Rising stated, "This ruling enabled TRS to continue its planning year to prepare for opening in August 2014. TRS hired a Principal and Office Manager, and it is in negotiations to lease a turnkey-ready facility, which housed a school from 1998-2013, located a 1. W. Orange Grove Road in Tucson."

Additional Information
On November 1, Board staff requested additional information that included evidence to support the circumstances outlined in the letter for not being able to open timely in August 2013, a viable and adequate timeline for implementing the Educational, Operational, and Business plans contained in the RSI application package and action steps with completion dates that will enable RSI to open timely. On November 3, Mr. Rising provided an updated letter and 10 exhibits providing evidence of the reasons given in the October 22 letter (presented in the charter holder's portfolio: c-m: Letter to ASBCS 11-03-2013, Exhibits 01-10). In addition, on November 6, Mr. Rising submitted an updated letter that included a timeline and action steps for implementing the plans from the RSI application package (presented in the charter holder's portfolio: n-o: Letter to ASBCS 11-06-2013 and Timeline and Action Steps).

Staff reviewed evidence provided by the charter holder, including an appeal letter to the Arizona State Board of Education, lease agreement, grant award letter, timeline, and narrative of action steps. Based on the documents submitted, staff determined the timeline and action steps provided will enable the charter holder to begin the first day of operation of TRS on August 4, 2014 and the grant awarded will provide a planning year.

Board Options
Option 1: The Board may approve the request for a Temporary Suspension. Staff recommends the following language for consideration: I move, based on the information contained in the Board materials and presented today, that the Board approve a one-time Temporary Suspension of Charter School Operation for Rising Schools, Inc. to begin providing instruction to students in the fall of the 2014-2015 school year.

Option 2: The Board may deny the request for a Temporary Suspension. The following language is provided for consideration: I move, based on the information contained in the Board materials and presented today, that the Board deny the Temporary Suspension of Charter School Operation for Rising Schools, Inc., for the reason that the charter holder failed to provide:

- Evidence to support the reasons given for not opening timely;
- A viable and adequate timeline with action steps;
- (Other specific reasons the Board may have found during its consideration including…)