

Arizona State Board for Charter Schools

1700 W. Washington St., Room 164, Phoenix, AZ 85007

(602) 364-3080 Fax (602) 364-3089

www.asbcs.az.gov

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OCT 21 2010

USFRCS EXCEPTION AMENDMENT REQUEST

(Charter Holder Name) Tucson Youth Development, Inc. (CTDS) 10-86-60-000

(Charter Holder Mailing Address) 1901 N. Stone Ave.

(City, State) Tucson, AZ (Zip) 85705

(Charter Representative's Name) Arnold Palacios

(Phone Number) (520) 623-5843 (Fax Number) (520) 791-9893

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JUN 02 2011

Failure to submit all required documentation will result in the Amendment Request being returned without being processed. Faxed copies will not be accepted. Please send originals.

- ✦ Exception to the USFRCS – (This exception will not be granted to State Board of Education sponsored charter schools)

Included are the following:

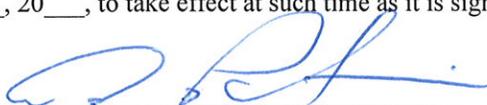
- Board minutes approving the change (If the body is subject to Open Meeting Law, minutes must comply with ARS §38-431.01)
- Complete policy for accounting (sample policy available on the ASBCS website)

All exceptions to the USFRCS will include:

- Charter Holder must utilize Generally Accepted Accounting Principles
- The Charter Holder is **NOT** exempt from filing the Annual Financial Report, the school report card data, annual auditing requirements, or any financial report request from the Arizona State Board for Charter Schools, the Auditor General, and the Arizona Department of Education
- The Charter Holder is responsible for any “cross-walks” necessary to complete reporting requirements

The Arizona State Board for Charter Schools and Tucson Youth Development, Inc. (Charter Holder), herein agree to amend the terms of the charter contract as follows:

In witness whereof, Charter Holder has signed this contract amendment as of this 20 day of October 2010, and the State Board for Charter Schools has signed this contract amendment as of this _____ day of _____, 20____, to take effect at such time as it is signed by both parties.



Charter Representative Signature

Representative Signature for the Arizona State Board for Charter Schools

TUCSON YOUTH DEVELOPMENT/ACE CHARTER HIGH SCHOOL ACCOUNTING POLICY STATEMENT

Accounting Policy

Tucson Youth Development/ACE Charter High School will follow accounting policies and procedures that comply with generally accepted accounting principles (GAAP). This includes using an accounting system that provides for the proper recording and reporting of financial data and following standard internal control procedures. The school will utilize a chart of accounts that has been developed to align with the chart of accounts found in the Uniform System of Financial Records for Charter Schools (USFRCS) for the purposes of complying with budgeting and annual financial reporting. Revisions will be made periodically for changes in laws, regulations and accounting pronouncements that cover charter school accounting, financial reporting and compliance with state and federal laws.

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PROCUREMENT LAWS EXCEPTION AMENDMENT REQUEST

(Charter Holder Name) Tucson Youth Development, Inc. (CTDS) 10-86-60-000

(Charter Holder Mailing Address) 1901 N. Stone Ave.

(City, State) Tucson, AZ (Zip) 85705

(Charter Representative's Name) Arnold Palacios

(Phone Number) (502) 623-5843 (Fax Number) (520) 791-9893

RECEIVED

JUN 02 2011 BM

Failure to submit all required documentation will result in the Amendment Request being returned without being processed. Faxed copies will not be accepted. Please send originals.

✚ Exception to the Procurement Laws – (This exception will not be granted to State Board of Education sponsored charter schools)

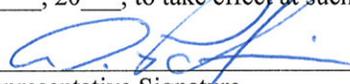
Included are the following:

- Board minutes approving the change (If the body is subject to Open Meeting Law, minutes must comply with ARS §38-431.01)
- Complete policy for procuring goods and services (sample policy available on the ASBCS website)

PLEASE NOTE: Charter operators granted an exception to local and state procurement regulations under A.R.S. §15-183(E)(6) are still required to satisfy the federal procurement requirements as a condition to the receipt of certain federal funds.

The Arizona State Board for Charter Schools and Tucson Youth Development, Inc. (Charter Holder), herein agree to amend the terms of the charter contract as follows:

In witness whereof, Charter Holder has signed this contract amendment as of this 20 day of October, 2010, and the State Board for Charter Schools has signed this contract amendment as of this _____ day of _____, 20____, to take effect at such time as it is signed by both parties.



Charter Representative Signature

Representative Signature for the Arizona State Board for Charter Schools

TUCSON YOUTH DEVELOPMENT/ACE CHARTER HIGH SCHOOL PROCUREMENT POLICY STATEMENT

Procurement Policy

Tucson Youth Development/ACE Charter High School will follow accounting policies and procedures that comply with generally accepted accounting principles (GAAP). Any procurement of goods and services shall be made by the procurement officer/authorized agent, in the best interest of the school, upon considering the totality of the circumstances surrounding the procurement, which may include but not be limited to, price, quality, availability, timelines, reputation and prior dealings.

Tucson Youth Development/ACE Charter High School shall not purchase any goods or services from any member of the governing board, an immediate family member of any member of the governing board nor from any entity in which any member of the governing board or an immediate family member of a governing board member may benefit from such a procurement, unless authorized by the governing board after a full disclosure of the potential benefits, and after the consideration set forth in paragraph 1 above.

Tucson Youth Development/ACE Charter High School understands that the policy cited above applies to purchases made using non-federal funds. As a condition of the receipt of certain federal funds, federal procurement requirements still apply.

Tucson Youth Development/ACE Charter High School will comply with generally accepted accounting principles, budgeting and annual financial reporting requirements.

MINUTES

ACE CHARTER HIGH SCHOOL/YOUTHWORKS BOARD OF DIRECTORS October 13, 2010

ROLL CALL:

The Tucson Youth Development, Inc./ACE Charter High School Governing Board meeting held at 1901 N. Stone Avenue, was called to order at 5:39 pm by President Terry Chandler with the following members present:

Present:

Terry Chandler
Art Menchaca
Mike Majeau
David Wojtowicz

Absent:

Sharon Hildebrand
Rebecca Tapia
Lynda Adams
Kirt Gardner
Larry Lucero
Deborah Stevenson
Robert Wortman
Douglas Mitchell

Staff Present:

Arnold Palacios
Jay Slauter
Marcia Cazares
Bill Marquez
Scott Cordier
Kathleen Bibby

- I. **Business Reports - None**
- II. **General Session - None**
- III. **Executive Session – None**
- IV. **Consent Agenda**

1. **Approval of Board Minutes: August 25, 2010**– Following review of minutes M/Mike Majeau, S/David Wojtowicz to approve minutes for August 25, 2010 as presented. Motion voted on and passed unanimously.
2. **Approval of Disbursement Report for August 2010 and September 2010** - Following review of disbursement reports, M/Mike Majeau, S/David Wojtowicz to approve disbursement report for August 2010 and September 2010 as presented. Motion voted on and passed unanimously.
3. **Approval of Annual Financial Report** – Arnold Palacios presented the Annual Financial Report by reviewing it page by page. Following discussion, M/Mike Majeau, S/ David Wojtowicz to approve the Annual Financial Report as presented. Motion voted on and passed unanimously.
4. **Approval of USFRCS Exception Amendment Request**– Arnold informed the Board that our Charter is now with the State Board for Charter Schools and that we would like to submit a USFRCS Exemption Amendment Request. Many charter schools have applied and been granted this in the past. Prior to now, ACE Charter High Schools was not allowed to request this exception because our charter was held by ADE. We will still follow generally accepted accounting principles and still maintain strong internal controls. Many of these rules were established for larger school districts and by requesting this exception, our processes will be streamlined and more efficient for our small staff. The scope and costs for our annual audit should also less since the USFRCS Compliance Questionnaire will no longer need to be completed by auditors. Following discussion M/Mike Majeau, S/David Wojtowicz to approve the USFRCS

Exception Amendment Request as presented. Motion voted on and passed unanimously.

5. **Approval for Procurement Laws Exception Amendment Request** – Arnold reported that we would also like to submit a Procurement Law Exception Amendment Request. We will still make every effort to obtain the best value what purchasing and we will still obtain bids/quotes for larger items purchased. We will still use prudent purchasing practices but once again some of the rules were established primarily for larger school districts with larger fiscal departments. M/Mike Majeau, S/David Wojtowicz to approve the Procurement Laws Exception Amendment Request as presented. Motion voted on and passed unanimously.
6. **Approval of Declaration of Curricular and Instructional Alignment to the Arizona Academic Standards**– Arnold presented a declaration statement which needs to be approved and signed by the Governing Board. This statement certifies ACE Charter High School’s curriculum is aligned to academic state Standard. M/Mike Majeau, S/David Wojtowicz to approve the motion as presented. Motion voted on and passed unanimously.
7. **Approval of meeting dates for November and December.** Arnold informed that our next scheduled meeting is the evening before Thanksgiving and that it would be better to change it to another date to ensure we have a quorum. He suggested Monday or Tuesday of that same week. For the December meeting we can conduct a short meeting after our Holiday Luncheon. Following discussion, M/Mike Majeau, S/David Wojtowicz to approve our next meeting for Monday, November 22, 2010 and a short meeting for December 17, 2010 after the staff luncheon. Motion voted on and passed unanimously.

V. Staff Reports

1. **ACE Charter and Youthworks Updates** – Jay Slauter presented an update on ACE Charter High School. First quarter ends tomorrow and we have 177 enrolled. Our absenteeism rate is about 7.5 %. We have developed and administered an end of course exam process. The students are doing very good and passing them. We have moved about 75% away from the computer based curriculum and into direct teaching. In our English classes we are about 100% direct teaching. The teachers and students feel that its working and it will show with our AIMS results this year. We also have a teacher that will be taking an extended medical leave, but we already have a long term substitute that will take over during this time. Scott Cordier presented an update on Youthworks. We have 46 students enrolled at this time. The interviewing has slowed down, but we are hoping that starting the next quarter it will pick up. Our attendance rate is currently 96%. The end of course exams are really working out and the kids have been testing very well. We are getting a lot of parent support. We will be having an end of the quarter party. We are also getting bids to get a sign for Youthworks.

- ## VI. Unfinished Business
- Mr. Wotjowicz asked about the status volunteer program in the school. Arnold informed that we will send a survey out tomorrow to all the parents and we are probably going to start receiving them

next week. As they come in we will set up a meeting to review them. This survey asks about the areas the parents can volunteer in.

VII.

VIII. Other - None

IX. Call to the Audience- None

X. Adjournment – The meeting was adjourned at 6:34 pm.