Detailed Business Plan Section Checklist

Charter Holder: Vision Charter School, Inc. (Entity ID 4430)

Each Detailed Business Plan will be reviewed to determine if all of the required elements have been addressed:

Yes – Required element addressed.
No – Required element not addressed.
Not **A**pplicable – Required element not applicable to the charter holder.

Arizona State Board for Charter Schools (Board) staff will complete the Detailed Business Plan Section Checklist. The Checklist will be used by the Board in its consideration of the charter holder's request for charter renewal. " No" answers may adversely affect the Board's decision regarding a charter holder's request for charter renewal.

II b.1. CHARTER HOLDER'S ORGANIZATIONAL MEMBERSHIP				
Required Elements	**Yes**	**No**	**N/A**	**COMMENTS**
○ Evidence of the appropriate filings with either the Board, Arizona Corporation Commission or both submitted.			X	
II b.2. CHARTER HOLDER'S FINANCIAL SUSTAINABILITY PART A – RENEWAL BUDGET PLAN				
Required Elements	**Yes**	**No**	**N/A**	**COMMENTS**
○ Completed Renewal Budget Plan submitted.	X			
○ 4 years of financial information provided as required by the *Renewal Instructions* with fiscal years clearly identified.	X			

○ Renewal Budget Plan includes average daily membership (ADM) used in each fiscal year and the basis for projected ADM.		X		The Renewal Budget Plan includes the projected ADM for each fiscal year, but does not include the basis for the projected ADM increase in fiscal year 2013. According to Arizona Department of Education reports, the charter holder's ADM declined in fiscal years 2010, 2011 and 2012. As of June 11, 2012, the charter holder's fiscal year 2012 ADM is 33.733. For fiscal year 2013, the charter holder has built its projections based on ADM growth of more than 33% (more than 11 ADM). The Renewal Budget Plan does not provide an explanation for the projected ADM increase. For fiscal year 2013, the Renewal Budget Plan includes $500 in the advertising/marketing line item with an explanation of "Marketing funds to increase ADM". The charter holder's current enrollment cap is 120. For more information about the charter holder's ADM history, please see the "Profile" section of the Renewal Executive Summary.
○ Assumptions provided for key components of the Renewal Budget Plan, including the basis for all projected revenue line items used.		X		An explanation was not provided for the Earnings on Investments line item used in fiscal year 2012.
○ Increases or decreases of 10% or more in the "total expenses" line item from year to year in the Renewal Budget Plan are explained in the "Assumptions/Notes" section.			X	

○ Each " Other" line item used is explained in the " Assumptions/Notes" section to specify what is included.	X			
○ For those required to submit the Academic Performance Section of the renewal application, the charter holder's previous two audits and the Renewal Budget Plan demonstrate the charter holder has the financial capacity to implement the " budget" as detailed in the Academic Performance Section.		X		Based on the two previous audits, the charter holder's unrestricted cash has decreased by approximately $24,800 from fiscal year 2010 to fiscal year 2011. Even with the decline, the charter holder had approximately $62,300 in unrestricted cash as of June 30, 2011. Not taking into account other possible factors, the unrestricted cash would be sufficient to implement the performance management plan costs (estimated at $1,300/year). However, at this time, it is unknown what the charter holder's unrestricted cash balance will be at June 30, 2012 and it is unclear what impact the charter holder not realizing its projected ADM could have on the unrestricted cash balance in subsequent years.
○ Renewal Budget Plan is mathematically correct.	X			Taking into account rounding issues, the Renewal Budget Plan is mathematically correct.
II b.2. CHARTER HOLDER'S FINANCIAL SUSTAINABILITY PART B – FINANCIAL SUSTAINABILITY NARRATIVE				
Required Elements	**Yes**	**No**	**N/A**	**COMMENTS**
○ For those required to complete the renewal application's " Charter Holder's Financial Sustainability" section because at least one of the two previous audits identified a going concern or identified negative net assets or negative members'/stockholders' equity at year end, a narrative is provided.			X	

○ Narrative does not exceed one page in length.			X	
○ Narrative explains the charter holder's current financial situation.			X	
○ Narrative includes the specific steps the charter holder has already taken to improve its financial situation and ensure the continued financial sustainability of the charter school(s).			X	
○ Evidence provided that supports each of the steps already taken by the charter holder to improve its financial situation and ensure the continued financial sustainability of the charter school(s).			X	
TOTAL (Sections II b.1, II b.2 Part A, and II b.2 Part B)	4	3	7	

Check one *(required)*:

☐ MEETS THE REQUIREMENTS (All applicable "Required Elements" received a "Yes".)

☒ DOES NOT MEET THE REQUIREMENTS (One or more applicable "Required Elements" received a "No".)

Board Staff Review Date: June 22, 2012