Young Scholar's Academy Charter School Corporation
Renewal Executive Summary Report

I. Sources of Evidence for this Document

A.R.S. 15-183.I states that "[a] charter school that elects to apply for renewal shall file an application for renewal…which shall include a detailed business plan for the charter school, a review of fiscal audits and academic performance data for the charter school and a review of the current contract between the sponsor and the charter school."

The Arizona State Board for Charter Schools (ASBCS) determined that renewal of a charter is based on affirmative evidence in three areas:

- Success of the academic program, including academic achievement
- Viability of the organization, including fiscal management and compliance
- 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. These sources include:

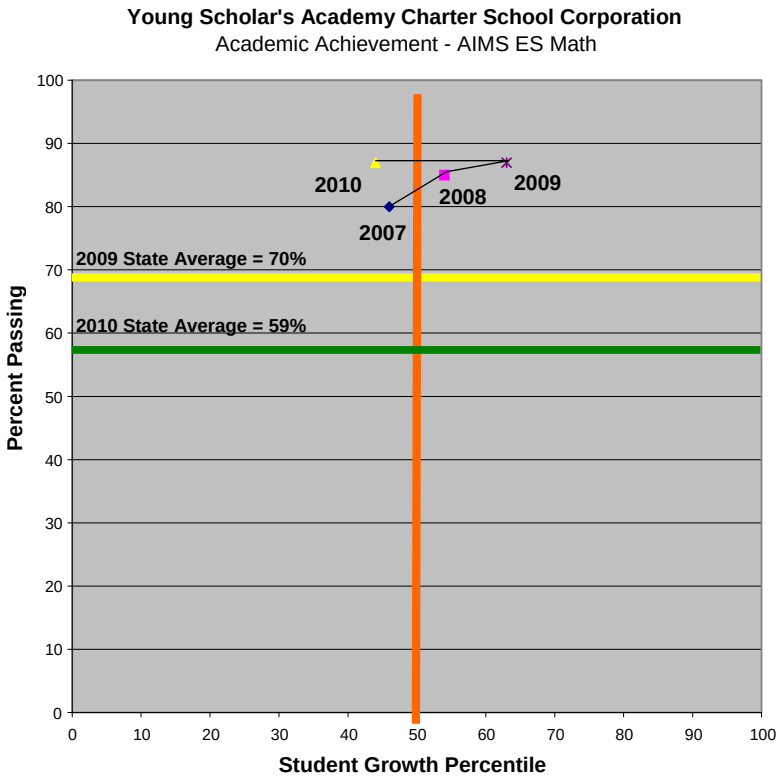
- Written application for renewal
- Student performance data
- Independent financial audits
- Five year interval summary reviews
- Site visit reports
- Monitoring reports

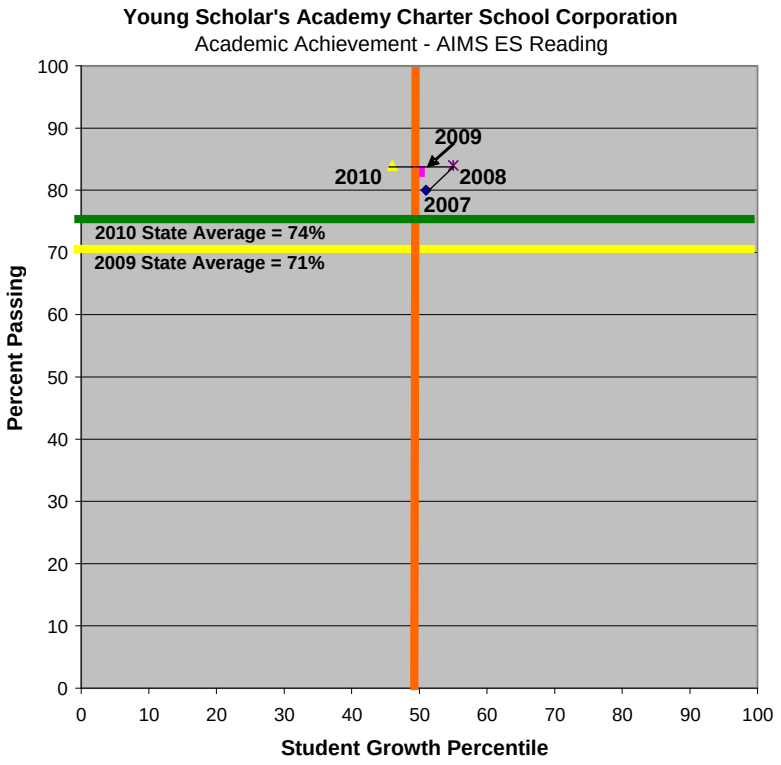
II. Profile

Young Scholar's Academy Charter School Corporation was granted a charter by the ASBCS, effective on October 2, 1996. Young Scholar's Academy Charter School Corporation is a non-profit in good standing with the Arizona Corporation Commission. The charter representative is Tonya Smith. The school, Young Scholars Academy, is located at 1501 E. Valencia in Bullhead City, serves grades K-8, and had a FY10 100th day ADM of 404.455.

Mission Statement:
Young Scholars Academy will be a Kindergarten through 8th grade basic skills school. To improve student achievement, a well-disciplined academic curriculum will be employed, emphasizing the areas of reading, language arts, and mathematics. To strengthen student character, emphasis will be placed on the student's responsibility for his/her education including an individualized, success-oriented academic pace. To develop a family environment, parents will take an active role in their child's education. To develop each child's academic skills as well as their social emotional skills, community businesses and resources will be actively involved in our educational process.

III. Academic Performance





Fiscal Year	AZ LEARNS	Adequate Yearly Progress (AYP)
2010	Highly Performing	Yes
2009	Excelling	Yes
2008	Highly Performing	Yes
2007	Highly Performing	Yes

IV. Fiscal Compliance

As detailed in the Audit and Fiscal Compliance section of the *Renewal Summary Review*:

- The charter holder has timely submitted its annual audit.
- No issues were identified which required a corrective action plan.
- The fiscal year 2009 audit identified two repeat issues. The Uniform System of Financial Records for Charter Schools requires all journal entries be approved by an authorized school administrator before being recorded in the accounting records. The fiscal year 2009 audit noted that some journal entries related to bonding were handled by an outside CPA. This repeat issue was also identified in the fiscal years 2006 through 2008 audits. The second repeat issue identified in the fiscal year 2009 audit involved the school's advertising expenses not being noted in the general ledger.

Young Scholar's Academy Charter School Corporation must follow the Uniform System of Financial Records for Charter Schools and adhere to State procurement regulations.

V. Legal and Contractual Compliance

For the previous five fiscal years –

- The charter holder has timely submitted the Annual Financial Report.
- The charter holder has timely submitted the Budget.
- All Declarations of Curricular and Instructional Alignment were submitted to the Arizona Department of Education (ADE) in a timely manner.
- The Highly-Qualified Teacher report, updated on May 13, 2010, indicated all 19 core teachers were reported as highly qualified.
- Cycle 1 No Child Left behind (NCLB) Compliance Monitoring (2007-08) and Cycle 6 (2006-07) did not meet compliance. Cycle 5 (2005-06) did meet compliance.
- In 2005 a Corrective Action Plan was required by ADE Exceptional Student Services for noncompliance with the Individuals with Disabilities Education Act (IDEA).

VI. Renewal Application

A. Education Plan

Academic performance of the schools operated by the Charter Holder met the Board's level of adequate academic performance, including status and growth measures, for each of the previous

three years. Therefore, the Charter Holder was not required to submit any portion of the academic section of the renewal application.

B. Detailed Business Plan

Organization

The Young Scholar's Academy is formally governed by the corporate board of the non-profit corporation (Young Scholar's Academy Charter School Corporation). This board was originally formed in 1996, with the formation of the non-profit corporation. All original members have remained on this board. According to the by-laws, two of the members of this board (or representatives they choose on behalf of this board) must serve on the school governing board. The school governing board is the next level of hierarchy in this organizational structure. This five-member board is composed of two members of the non-profit governing board, a teacher representative, a parent representative, and a business representative. Beneath the school governing board, is the position of Director. The Director is responsible for all daily operations of the school, all staff, students, and parents, as well as all business operations of the school. The Assistant to the Director, Office Manager, PTA, and Technology Director all report to the Director. The teaching staff report to the Office Manager. The applicant provided an organizational chart which depicts the narrative in graphic form.

Sustainability

Fiscal Viability

According to the application's "Organizational Narrative", the governing board approves budgets, expenditures and contracts and monitors school spending. The Director is responsible for the business operations of the school. The Office Manager is responsible for payroll, purchasing, coordinating with the outside accounting firm and bill payment and has the authority to carry out the normal requirements of her job duties. However, all processes are approved by the Director. The application package refers to recent budget cuts and notes that, "Because of excellent financial management over the past fourteen years, we have been able to absorb these cuts without reducing services to our students or reducing staff numbers or salaries."

Another measure of fiscal viability is the number of students exceeding capacity who wish to enroll in the school. According to the application package, Young Scholar's Academy has 920 names on its waiting list[1], including kindergarten classes through fiscal year 2016. The application package states that the kindergarten classes through fiscal year 2014 are already filled beyond capacity, with fiscal years 2015 and 2016 nearing capacity.

The main function of the Parent-Teacher Association is to raise funds to support various programs. The PTA helped with a cooperative playground shade project with the Legacy Foundation (raising a total of $62,000 for the project), an Eagle Scout project of outdoor gardens (raising a total of approximately $11,000) and by providing extra classroom funds for each teacher.

[1] While Young Scholar's Academy does not have an overall enrollment cap for the school, it has established classroom and grade level caps. The class size is limited to 24 students with two classes offered at each grade level.

For fiscal year 2008 and fiscal year 2009, the independent certified public accountant issued an unqualified (or "clean") opinion on Young Scholar's Academy Charter School Corporation's financial statements. In each fiscal year, the charter holder ended the year with positive net assets. The Budget Plan submitted as part of the renewal application indicates that the charter holder's ending net assets will increase between fiscal years 2010 and 2012. According to the assumptions provided, the Budget Plan assumes that the student count will remain constant for fiscal years 2011 and 2012. Based on information obtained from the Arizona Department of Education's website, the charter holder was funded in fiscal year 2010 on an ADM of approximately 404.

Strength and Stability of the Governing Body

The Governing Body of Young Scholar's Academy is composed of five members. Two of these members are direct representatives of the non-profit corporate board, one member is a local business representative, one member is a current teacher (elected by the teaching staff), and one member is a parent representative (elected by the parent-teacher association).

Young Scholar's Academy Governing Body members:

Tonya Smith, corporate board representative
Steven Smith, corporate board representative
Kelly Freeman, business representative
Dr. Scott Boggs, P.T.A. representative
TBD, teacher representative

Strength and Stability of the Corporate Board

The non-profit corporate board of Young Scholar's Academy is considered the primary governing body. The three board members have been on the board since its inception.

Young Scholar's Academy corporate board members:

Tonya Smith
Steven Smith
Patricia Applewhite

The applicant did not describe the role of the governing body or corporate board in monitoring the school's academic performance.

<u>Succession Plan</u>

Charter Holder: Representatives of the non-profit corporate board can be replaced simply by a unanimous vote and naming to the position of another representative by the other two members of the non-profit corporate board. In the circumstance which two members of the non-profit corporate board were to meet an untimely death at the same time, the one remaining member may choose two representatives to serve on the Corporate Board.

Instructional Leadership: Young Scholar's Academy provides the funds for every teacher to attend two trainings, seminars, conferences, and other relevant professional development per year to improve their classroom teaching skills, leadership skills, or supervisory skills.

According to the applicant, each teacher has the opportunity to further develop their classroom and leadership skills from the moment they are hired at Young Scholar's Academy. They are provided these opportunities through being highly-qualified by the State's standards, by being provided a mentor teacher, by becoming a mentor teacher, by attending trainings and conferences throughout their career, by being members of leadership teams, and by being a supervisor to a classroom paraprofessional.

Facilities Plan

According to the applicant, at this time, there are no plans for facilities expansion in the near future.

VII. Staff Recommendation

Based upon the information in the application, academic performance over the charter term, fiscal compliance, and legal and contractual compliance, I move to approve the renewal application and grant a renewal contract for Young Scholar's Academy Charter School Corporation.