



Policy Statement

Eligibility of Charter Schools for State Equalization Payments

The purpose of this policy is to detail the required documentation and process for determining eligibility to receive funding for a new school.

Background

The Arizona State Board for Charter Schools ("Board"), at a meeting held on June 8, 2009, approved a revised policy that requires new and existing charter holders to submit a copy of a valid certificate of occupancy and current fire marshal's inspection report for each location where educational services will be provided prior to the initiation of state equalization payments.

Policy

A charter holder is eligible to receive funding for a new school when the charter holder has provided a valid certificate of occupancy and current fire marshal's inspection report for educational use to the Board. Until the charter holder has submitted valid copies of the required documents for the new educational facility, staff will submit a request to the Arizona Department of Education ("ADE") School Finance Unit to hold funding for:

1. New charter schools that have signed a charter contract,
2. New schools under existing charter contracts, and
3. Schools under an existing charter contract moving from one location to another.

Upon receipt and verification of these documents, the Board's staff will submit a written request to the ADE for the appropriate release of funds due to the school.

In the interim, charter holders with a secured facility may sign an Occupancy Compliance Assurance and Understanding form ("Form") that outlines this policy (*see attached Form*). Upon receipt of the signed copy of the Form, the charter holder is provided a CTDS and Entity ID for a new school. Charter holders are then able to upload student estimated counts without state equalization funds being released.

Process:

1. Charter Holder Notification:

New charter holders are notified of the Board's policy during the new operator workshop and again at the time of contract signing. Each charter holder is required to sign the Form and is provided a copy if the charter holder does not have the required documents for the new school.

Existing charter holders are notified of the Board's policy as part of the School Location and New School amendment processes. Charter holders are required to submit a signed copy of the Form as a requirement to add a new school or to move school locations, if the amendment request is not accompanied by a certificate of occupancy and current fire marshal inspection report for educational use.

2. Submission of Documents:

A copy of a valid certificate of occupancy and a current fire marshal's inspection report for each new facility providing educational services may be:

- Faxed to 602-364-3089,
- Mailed to Arizona State Board for Charter Schools, P.O. Box 18328, Phoenix, AZ 85009, or
- Delivered in-person, FedEx or UPS to 1616 West Adams Street, Ste. 170, Phoenix, AZ 85007.

3. Validation and Notification to ADE:

After Board staff has verified that the appropriate documents for each new facility has been received, Board staff will notify the charter holder and the ADE School Finance Unit's Charter School Payment Manager that the school operated by the charter holder is eligible for payment. If the Board office determines that additional information is necessary, the charter holder will be notified of the deficiencies.

4. Release of payment:

The ADE School Finance Unit will mark the school eligible for payment and a payment will generate in the next payment cycle if all other requirements of ADE School Finance have been met. Schools eligible for payment by the 20th of any month will generate a payment for the next month's payment cycle. School marked eligible after the 20th of any month will not generate a payment in next month's payment cycle. No off-system payments will be made.

Historical Note:

Effective: New Charters Opening in 2004-2005 and Beyond;

Board Approval Date: April 14, 2003; June 8, 2009

Revised Date: May 19, 2003; June 8, 2009; June 7, 2017



Arizona State Board for Charter Schools

Occupancy Compliance Assurance and Understanding

The Arizona State Board for Charter Schools (“Board”), at a meeting held on June 8, 2009, approved a revised policy that requires new and existing charter holders to submit a copy of a valid Certificate of Occupancy and current Fire Marshal’s Inspection Report for each location where educational services will be provided prior to the initiation of state equalization payments.

The Board will request that the Arizona Department of Education (“ADE”) withhold state equalization assistance payments for 1) new charter schools that have signed a charter contract, 2) new schools under existing charter contracts, and 3) schools under existing charter contracts moving from one location to another, until the school has submitted valid copies of the required Certificate of Occupancy and current Fire Marshal’s Inspection Report for the new educational facility.

Once Board staff has verified that the appropriate documents for each school location have been received, the Board office will notify the Charter Holder and the ADE School Finance Unit’s Charter School Payment Manager that the school is eligible for payment. The ADE School Finance Unit will mark the school eligible for payment and a payment will generate in the next payment cycle if all other requirements of ADE School Finance have been met. Schools eligible for payment by the 20th of any month will generate a payment for the next month’s payment cycle. Schools marked eligible after the 20th of any month will not generate a payment in next month’s payment cycle. No off-system payments will be made.

Charter Holder Information	
Name of Charter Holder Entity	
School Location(s) for which the request applies	
Signature	
By signing below, I understand the Board’s policy and that I am required to submit an educational use Certificate of Occupancy and a current Fire Marshal’s Inspection Report to the Board office for each school facility operated by the Charter Holder. These documents must be verified by Board staff prior to occupancy of the building and prior to receipt of equalization payments for students enrolled at this school.	
I acknowledge that if these documents are not submitted prior to occupancy, the school’s opening date may be postponed and/or the Board may take action as allowed by statute and the charter contract.	
Charter Representative Signature: _____ Date: _____	