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**AGENDA ITEM:** Consent Agreement for the Voluntary Surrender and Termination of the Charter Contract for Leona Advanced Virtual Academy

**Issue**

Leona Advanced Virtual Academy has requested the voluntary surrender and termination of its charter effective December 24, 2012.

**Background:**

The charter became effective on April 21, 2003.

On December 17, 2012, the Charter Operator notified the Board that the school would be ceasing its operations and provision of instruction to students effective December 24, 2012 due to lack of enrollment.

Upon closure the charter was serving forty students that were able to remain with the on-line provider, Florida Virtual, through Scottsdale On-Line Learning at the Oak campus. The school worked with every parent and student individually to ensure the best placement for the student.

The Charter Operator's governing board accepted the terms of the agreement at a public meeting and an agreement signed by the charter representative was provided. (See Attachment A)

**Board Options**

Option 1: The Board may vote to approve the surrender agreement as presented. Staff recommends the following language: I move to approve the Voluntary Surrender and Termination of the Charter Contract for Leona Advanced Virtual Academy as presented.

Option 2: The Board may choose not to approve the Voluntary Surrender and Termination of the Charter Contract for Leona Advanced Virtual Academy and include direction as to how it would like staff to proceed.

# Attachment A

## **CONSENT AGREEMENT FOR THE VOLUNTARY SURRENDER AND TERMINATION OF THE CHARTER CONTRACT**

This Consent Agreement for the Voluntary Surrender and Termination of the Charter Contract (“Agreement”) is made by and between Leona Advanced Virtual Academy (“Charter Operator”), a nonprofit corporation organized under the laws of the state of Arizona and authorized to operate Leona Advanced Virtual Academy and Leona Advanced Virtual Academy (LAVA), charter schools, and the Arizona State Board for Charter Schools (“Board”) collectively referred to herein as the “Parties.”

### **JURISDICTION**

The Board is charged by Arizona Revised Statutes (“A.R.S.”) §§ 15-182(E)(1) and (2) and 15-183(R) with granting charter status to qualifying applicants for charter schools and exercising general supervision over the charter schools it sponsors. An approved plan to establish a charter school is effective for fifteen years. A.R.S. § 15-183(I). The charter may be amended at the request of the governing body of the charter school and on approval of the Board. A.R.S. § 15-183(G). The Board may revoke a charter of a school it sponsors at any time if the charter school breaches one or more provisions of its charter. A.R.S. § 15-183(I)(3). The charter may be renewed for successive period of twenty years if the Board deems that the charter school is in compliance with its own charter and Title 15, Chapter 1, Article 8, A.R.S. A.R.S. § 15-183(I)(1).

### **RECITALS**

1. The Charter Operator is authorized to operate Leona Advanced Virtual Academy and Leona Advanced Virtual Academy (“the Schools”), charter schools established pursuant to A.R.S. § 15-181 *et seq.*

2. The School is authorized to operate pursuant to a charter contract executed on April 21, 2003 between the Charter Operator and the Board ("Charter").

3. Pursuant to A.R.S. § 15-183 and the Charter, the Board sponsors the Charter Operator to operate two school sites to serve students in 7th-12th grades.

4. Ms. Michele Kaye and Dr. William Coats are the Charter Representatives and persons authorized to execute documents on behalf of the Charter Operator.

5. On December 17, 2012 the Charter Operator notified the Board that the School was ceasing its operations and provision of instruction to students effective December 24, 2012.

#### **AGREEMENT**

The Parties agree as follows:

1. The Charter Operator voluntarily tenders and surrenders the Charter to its sponsor, the Board, with the intent to voluntarily terminate its Charter effective December 24, 2012 for the purpose of further performance.

2. The Board accepts the surrender of the Charter for the operation of the School.

3. The Charter between the Charter Operator and the Board for the operation of the School is terminated effective December 24, 2012 for the purpose of further performance.

4. This Agreement is not binding on the Parties until both the Board and the Charter Operator's governing board accept it by the number of votes necessary to pass a measure at a public meeting. This Agreement is effective immediately upon its approval and execution by the authorized representatives of the Charter Operator and the Board.

5. If the Board rejects this Agreement or any part of it, then this Agreement is null and void, and not binding on the Charter Operator or the Board.

6. The Charter Operator shall mail a complete copy of each student's educational record

to the student's parent or legal guardian for each student enrolled in the school in the 2012-2013 school year.

7. The Charter Operator shall notify the Board of the location of the School's student educational records no later than February 15, 2013.

8. The Charter Operator shall submit all requisite student level data for its receipt of state equalization funding for 2012-2013 school year to the Arizona Department of Education through the Student Accountability Information System ("SAIS").

9. The Charter Operator is entitled to receive state equalization assistance funds for the 2012-2013 school year to which it is entitled under the school funding formula provided in Arizona law, but no more.

10. The Charter Operator shall refund any overpayment of state equalization assistance funds in the amount determined by the Arizona Department of Education ("Department") in the manner directed by the Department.

11. The Charter Operator is entitled to receive Classroom Site Funds for the 2012-2013 school year to which it is entitled under the provisions of Arizona law, but no more. The Charter Operator shall expend the Classroom Site Funds in a manner consistent with its intent as specified in A.R.S. § 15-977.

12. The Charter Operator shall refund any overpayment of Classroom Site Funds in the amount determined by the Department in the manner directed by the Department.

13. The Charter Operator shall submit any outstanding grant reports and shall refund any outstanding grant monies or allocation of education funds in the amount determined by the Department in the manner directed by the Department.

14. Nothing in this Agreement is intended to prevent the Charter Operator from

exercising its rights under statutes or regulations to contest amounts determined by the Department to be owed by the Charter Operator.

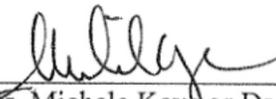
15. The Charter Operator understands that it has the legal right to consult with an attorney prior to entering into this Agreement.

16. The Parties shall be responsible for their own attorneys' fees and costs in this matter.

ARIZONA STATE BOARD FOR CHARTER SCHOOLS

\_\_\_\_\_  
By: Jake Logan  
President, Arizona State Board for Charter Schools  
Date: \_\_\_\_\_

LEONA ADVANCED VIRTUAL ACADEMY AND LEONA ADVANCED VIRTUAL  
ACADEMY AND LEONA ADVANCED VIRTUAL ACADEMY (LAVA)

  
\_\_\_\_\_  
By: Ms. Michele Kaye or Dr. William Coats  
Charter Representative, Leona Advanced Virtual Academy  
Date: \_\_\_\_\_

COPY mailed this  
\_\_\_\_\_ day of \_\_\_\_\_, 2013 to:

Leona Advanced Virtual Academy  
Attention: Ms. Michele Kaye or Dr. William Coats, Charter Representative  
7878 N. 16<sup>th</sup> St. Suite 150  
Phoenix, AZ 85020

By \_\_\_\_\_

AGENDA OF MEETING  
OF THE GOVERNING BODY OF:

DESERT MIRAGE PUBLIC CHARTER ELEMENTARY SCHOOL  
SOUTH MOUNTAIN PREPARATORY ACADEMY PUBLIC CHARTER ELEMENTARY SCHOOL  
LEONA ADVANCE VIRTUAL ACADEMY

Was convened on: Tuesday, May 7, 2013

TIME: 8:30 a.m.

LOCATION: 7878 N. 16TH STREET, SUITE 150, PHOENIX, ARIZONA 85020

1.0 CALL TO ORDER	8:30 a.m.
2.0 PRESENT AT THE MEETING	William Coats, Governing Body President Michele Kaye, Governing Body Member and Authorized Representative
3.0 CALL TO THE PUBLIC	A call was made to the public to discuss items on the agenda. No members of the public were present.
4.0 REVIEW OF THE AGENDA	
5.0	Old Business
5.1	Approval of Minutes – Minutes from the February 15, 2013 governing body meeting were presented. A motion to approve the minutes was duly made and seconded. The motion was approved by the governing body.
6.0 ACTION ITEM	New Business
6.1	School Name Change Notification – Desert Mirage Preparatory Academy to Discover U Elementary School and South Mountain Preparatory Academy to Advance U Elementary School.
	Name change information was presented. A motion to approve the name changes for Desert Mirage Preparatory Academy and South Mountain Preparatory Academy was made and seconded. The motion was approved by the governing body.
6.2	New School Site Notification Request – Discover U Elementary School and Advance U Elementary School
	New school site information was presented. A motion to approve the new site for Discover U and Advance U was made and seconded. The motion was approved by the governing body.
6.3	Procurement Laws Exception Amendment Request – Discover U Elementary School and Advance U Elementary School
	Procurement Laws Exception amendment information was presented. A motion to approve the Procurement Law Exception for Discover U and Advance U was made and seconded. The motion was approved by the governing body.
6.4	USFRCS Exception Amendment Report – Discover U Elementary School and Advance U Elementary School

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LEONA ADVANCE VIRTUAL ACADEMY

	USFRCS Exception amendment information was presented. A motion to approve the USFRCS Exception for Discover U and Advance U was made and seconded. The motion was approved by the governing body.
6.5	Charter Holder Status Amendment Request – Discover U Elementary School to Kaizen Education Foundation d.b.a. Discover U Elementary School and Advance U Elementary School to Kaizen Education Foundation d.b.a. Advance U Elementary School
	Charter Holder Status amendment information was presented. A motion to approve the Charter Holder Status amendment for Discover U and Advance U was made and seconded. The motion was approved by the governing body.
6.6	Surrender Agreement – Leona Advanced Virtual Academy
	Surrender agreement information was presented. A motion to approve the Surrender agreement for Leona Advanced Virtual Academy was made and seconded. The motion was approved by the governing body.
7.0 BOARD COMMENTS	The next meeting of the governing body is unknown and will be scheduled at a later date.
8.0 ADJOURNMENT	There being no further business to discuss, the meeting was duly adjourned at approximately 9:00 a.m.
WILLIAM COATS – GOVERNING BODY PRESIDENT	