

Issue

To reconsider the Board's denial of New World Educational Center's request for the renewal of its charter through the terms in the proposed settlement agreement. (see Attachment A)

Background

On June 10, 2013 the Board denied the renewal application of New World Educational Center for failure to meet the obligations of its contract or to comply with state law when it:

- a) failed to meet the Board's academic performance expectations as stated in the Academic Performance Framework
- b) failed to demonstrate sufficient progress toward the Board's academic performance expectations in all grade levels served,
- c) failed to comply with fingerprinting requirements as prescribed in A.R.S§ 15-183.C5, and
- d) failed to comply with Open Meeting Law.

Board materials from the June 10, 2013 meeting are available at:

<http://www.asbcs.az.gov/userfiles/file/June%202013/New%20World%20Educational%20Center%20Renewal%20Portfolio.pdf>

New Information for Consideration

On July 15, New World Educational Center timely filed an appeal of the Board's decision not to renew charter contract.

On June 24th, 2013 New World Educational Center held a meeting which included a training provided by attorney Denise Lowell-Britt of Udall-Shumway titled "Arizona's Open Meeting Laws: A Brief Course for Governing Board Members". The following documentation was provided as evidence of the training: a copy of the agenda; a copy of the presentation material; an attendance log that documented all current board officers and directors were present for the meeting; and information about the presenter. The documentation submitted provides sufficient evidence that New World Educational Center is taking corrective action to prevent future non-compliance with Open Meeting Law.

The evaluation of the Demonstration of Sufficient Progress submitted by New World Educational Center reflects that, if considered in isolation, grades K-8 demonstrated sufficient progress toward the Board's academic performance expectations. Pursuant to paragraph 10 of the settlement agreement, New World Educational Center has agreed to close its high school (grades 9 through 12) at or prior to the conclusion of the term of the current Charter

Board Options

Option 1: The Board may accept the terms of the Settlement Agreement signed by New World Educational Center. Staff recommends the following language for consideration: Renewal is based on consideration of academic, fiscal and contractual compliance of the charter holder. In this case, the charter holder did not meet the academic performance expectations set forth in the Board's performance framework and was not able to demonstrate sufficient progress toward the Board's expectations. However, the new information presented and the terms of the proposed settlement agreement demonstrate that the charter holder is taking action. Additionally, the Board has adopted an academic performance framework that allows for additional consideration of the charter holder throughout the next contract period. There is a record of past contractual noncompliance which has been reviewed. With that taken into consideration as well as all information provided to the Board for consideration of this settlement agreement and during its discussion with representatives of the charter holder, I move to accept the terms of the settlement agreement which includes approval of the request of New World Educational Center for the renewal of its charter for grades kindergarten through 8.

Option 2: The Board may reject the terms of the Settlement Agreement signed by New World Educational Center. The following language is provided for consideration: I move to reject the terms of the settlement agreement.

August 12, 2013

Attachment A

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between New World Education Center (“Charter Operator”), a nonprofit corporation organized under the laws of the state of Arizona and operating New World Education Center, a charter school, 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. A charter is effective for fifteen years. A.R.S. § 15-183(I). The charter may be amended at the request of the governing board of the charter school and on approval of the Board. A.R.S. § 15-183(G). The charter may be renewed for successive periods of twenty years. A.R.S. § 15-183(J).

RECITALS

1. The Charter Operator operates New World Education Center (“the School”), a charter school established pursuant to A.R.S. § 15-181 *et seq.*
2. The School operates pursuant to a charter contract (“Charter”) between the Charter Operator and the Board that expires on June 28, 2014.
3. Pursuant to A.R.S. § 15-183 and the Charter, the Board sponsors the Charter Operator to operate one school site to serve students in grades kindergarten through 12.
4. Gordon Ilstrup is the Charter Representative and person authorized to execute documents on behalf of the Charter Operator.
5. On June 10, 2013, the Board denied the Charter Operator’s request to renew its charter. A.R.S. § 15-183(I)(1).

6. The Charter Operator timely appealed the Board's decision and requested a hearing.

AGREEMENT

The Parties agree as follows:

7. That because of the Board's decision to deny the Charter Operator's request for Charter renewal, the Charter Operator is subject to the termination of the operation of the School on June 29, 2014.
8. That A.R.S. § 41-1092.07(F)(2) provides that informal disposition of this matter may be made by stipulation, agreed settlement, consent order or default.
9. That in consideration of the Parties foregoing their option to proceed with the charter renewal proceedings and hearing, it is in the best interests of the Board and the Charter Operator to mutually resolve this matter.
10. That the Charter Operator shall close its high school (grades 9 through 12) at or prior to the conclusion of the term of the current Charter, as extended by paragraph 12, on June 30, 2014.
11. That the Board shall approve the Charter Operator's request for the renewal of its Charter for grades kindergarten through 8.
12. That the term of the current Charter set to expire on June 28, 2014 shall be extended to June 30, 2014 to coincide with the end of the 2014 fiscal year of operation.
13. That the Charter Operator withdraws its appeal and request for hearing.
14. That 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.

15. That if the Board rejects this Agreement or any part of it, then this Agreement is null and void, and not binding on the Parties and the Parties may proceed with the charter renewal hearing.

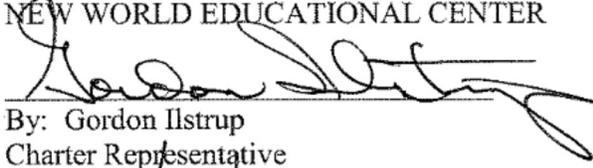
16. That the Charter Operator has the legal right to consult with an attorney prior to entering into this Agreement and has done so.

17. That the Parties shall be responsible for their own attorneys' fees and costs, if any, in this matter.

ARIZONA STATE BOARD FOR CHARTER SCHOOLS

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

NEW WORLD EDUCATIONAL CENTER



By: Gordon Ilstrup
Charter Representative
Date: 8/2/2013

COPY mailed this
_____ day of _____, 2013 to:

Deanna Rader
Gordon & Rees, LLP
Attorneys at Law
111 West Monroe Street
Suite 1600
Phoenix, AZ 85003
Attorneys for New World Educational Center

By _____
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NEW WORLD EDUCATIONAL CENTER

GOVERNING SCHOOL BOARD

5818 N. 7th Street, Phoenix, Az. 85014

Special Public Board Meeting Minutes
Friday, August 2, 2013 at 3:00 p.m.

Opening:

The special public meeting of the New World Educational Center Governing School Board was called to order at 3:00 on August 2, 2013 in the administrative office by Mr. Josue Martinez.

Board Members Present:

Mark Berry, Gordon Ilstrup, Josue Martinez, Cal Smith, Joseph Snyder, Bill Williams

Administration Present:

Jesus Armenta

A. Approval of Agenda

Motion to approve agenda: Joseph Snyder

Second to approve agenda: Gordon Ilstrup

Total Vote: 6

The agenda was unanimously approved as distributed.

B. Reports from Administration/Committees

Academic Performance: The open house is proving to be successful. Food and prizes will be involved.

The 6th grade class will have a long term substitute until a permanent teacher is hired.

There are currently 208 students enrolled for the academic year.

A brochure is being made with facts about the school. The layout and organization of the brochure should be very effective.

The school has a rating of "B" for the onsite portion. There is a "C" rating for the online portion.

C. Call to Public

None

D. Executive Session

None

E. Report to board on State Charter Board Meeting on July 31, 2013

The school attorney in this matter, Jesus Armenta, and Josue Martinez met with Deana Rowe from the State Charter Board. Preparations were made to answer questions on the academic and financial standing of the school. A financial Performa was drawn up for this occasion. However, questions were not asked at the meeting on these things. The questions seem to focus only on the high school portion of the school charter.

Josue Martinez has stated that on August 12, 2013 a settlement contract will be submitted to the Arizona State Charter Board concerning the appeal for a new charter for the school.

F. Discussion and Possible Action to Approve the Agreement/Settlement with State Charter Board

Motion to approve settlement: Gordon Ilstrup

Second motion to approve settlement: Joseph Snyder

Total Vote: 6

The settlement is unanimously approved.

G. Report on Upcoming Meeting/ Next Board Meeting

The next board meeting will take place on August 20, 2013 at 3:30 p.m. in the school library.

I. Adjournment

Motion for adjournment: Mark Berry

Second for adjournment: Cal Smith

Total Vote: 6

The consideration for adjournment was unanimously approved.
