

**Arizona State Board for Charter Schools  
On-going Board Actions as of March 27, 2013**

<b>Withholding</b>					
<b>School Name</b>	<b>Date of Board Action</b>	<b>Violation</b>	<b>Notes</b>	<b>Status of Corrective Action Plan</b>	<b>Date issue, if unresolved, will come back before the Board</b>
<b>DCS Partners, Inc.</b>	11/26/12	<ul style="list-style-type: none"> <li>• Failure to timely submit fiscal year 2012 audit reporting package</li> </ul>			2/11/13
	3/11/13		<p>No earlier than 14 days or 10 business days of the 3/11/13 meeting, the Board voted to issue a Notice of Intent to Revoke the charter contract if the charter has not yet submitted the fiscal year 2012 audit. Based on the motion, the audit must be submitted on or before 3/25/13 to avoid the Notice being issued.</p> <p>Audit received 3/20/13. 10% will be returned with April payment</p>		
	2/11/13	<p>Board added to the basis of the existing 10% withholding:</p> <ul style="list-style-type: none"> <li>• Failure to request an amendment to its charter to reflect its change in charter representative.</li> <li>• Failure to comply with accountability and reporting requirements for</li> </ul>	<p>As of 2/15/13, the charter holder had demonstrated compliance through the submission of an administratively complete and substantively complete Charter Representative Notification Request and the completion of the charter holder's ESEA Cycle 5 compliance and monitoring requirements.</p>		

### Withholding

School Name	Date of Board Action	Violation	Notes	Status of Corrective Action Plan	Date issue, if unresolved, will come back before the Board
		receipt of Elementary and Secondary Education Act grant funding.			

### Schools Under a Notice of Intent to Revoke

School Name	Date of Board Action	Alleged Violation	Date of Revocation Hearing/Orders	Status
<b>Excel Preparatory Academy, Inc.</b>	10/9/12	<ul style="list-style-type: none"> <li>Failure to comply with A.R.S. §15-183(E)(3) and its charter contract when the charter holder failed to provide educational services to students</li> <li>Failure to be in good standing with the Arizona Corporation Commission</li> </ul>	<p>Hearing before an Administrative Law Judge set for 1/29/13.</p> <p>Hearing was held on 1/29/13. The Administrative Law Judge will close the record once the hearing transcripts are received.</p> <p>On 2/19/13, hearing transcripts and all pleadings in the matter were filed with the Office of Administrative Hearings.</p> <p>On 2/28/13 the Administrative Law Judge closed the record. A decision will be issued in due course.</p> <p>In March, Board received ALJ's decision.</p>	

## Schools Under a Notice of Intent to Revoke

School Name	Date of Board Action	Alleged Violation	Date of Revocation Hearing/Orders	Status
<b>Founding Fathers Academies, Inc.</b>	7/9/12	<ul style="list-style-type: none"> <li>• Failure to provide a learning environment that improves pupil achievement</li> <li>• Failure to comply with laws related to the education of students with disabilities</li> </ul>		<p>Board staff and legal counsel have left messages for the charter representative to contact them to discuss the terms of a consent agreement. The charter representative has not yet returned these calls.</p> <p>The Board's attorney has been in contact with the charter holder's legal counsel.</p> <p>Both parties have reached an agreement on the terms of the consent agreement. The charter representative should now have a copy for consideration.</p> <p>On 11/26/12, Board approved Consent Agreement.</p> <p>On 2/11/13 Board withdrew its approval and acceptance of the consent agreement for Founding Fathers Academies, Inc. and directed staff to conduct a complete compliance review of the charter to evaluate the school's operations and academic program and report back to the Board in March with a recommendation for moving forward.</p> <p>On 3/5/13 and 3/6/13, staff conducted a complete onsite compliance review of the charter to evaluate the school's operations and academic program.</p>
<b>New Destiny Leadership Charter School</b>	2/11/13	<ul style="list-style-type: none"> <li>• Failure to comply with A.R.S. §15-183(E)(3) and its charter contract when it failed to provide educational services to students</li> <li>• Failure to timely submit its fiscal year 2012 annual financial audit</li> <li>• Failure to timely submit its fiscal year</li> </ul>	<p>Hearing before an Administrative Law Judge set for 6/11/13 and 6/12/13.</p> <p>Hearing before an Administrative Law Judge rescheduled for 7/2/13 and</p>	

### Schools Under a Notice of Intent to Revoke

School Name	Date of Board Action	Alleged Violation	Date of Revocation Hearing/Orders	Status
		2012 Annual Financial Report	7/3/13.	

### Other Legal Matters

School Name	Date of Board Action	Status

### Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
<b>Visions Unlimited Academy, Inc.</b>	7/9/12	<p>Visions agrees to remit voluntary monthly payments of no less than \$1,200 to the IRS on its Federal Tax Deposits arrearage until such time as it enters into a monthly installment agreement with the IRS to resolve its outstanding balance, at which time it agrees to comply with the terms of its monthly installment agreement. On or before the 30<sup>th</sup> day of each month, beginning July 2012 and continuing until paid in full, Visions agrees to provide evidence to the Board that it has made the required voluntary monthly payments or, if Visions has entered into a monthly installment agreement, to provide evidence to the Board that it has made the required monthly payments under its installment agreement with the IRS.</p> <p>Visions agrees to remain current in the remittance of its Federal Tax Deposits for the current fiscal year and for all subsequent fiscal years of its operations. Further, for all payrolls that occur from July 1, 2012 through such time as an installment agreement is entered into with the IRS, Visions shall, within five calendar days of each of its Federal Tax Deposits, provide evidence to the Board that it has made timely and sufficient Federal Tax Deposits into the Treasury of the United States.</p> <p>Within 10 days of the end of every calendar quarter (October 1, January 1, April 1, June 1) throughout the duration of the Performance Management</p>	<p><b>Payroll Taxes</b> On 7/2/12, provided evidence that the first deposit made with the IRS in fiscal year 2013 equaled the required amount.</p> <p>On 7/13/12, provided evidence that the second deposit made with the IRS in fiscal year 2013 equaled the required amount.</p> <p>On 7/26/12, provided copy of Form 941 filed with the IRS for second quarter of 2012 (April through June 2012).</p> <p>On 8/1/12, provided evidence that the third deposit made with the IRS in fiscal year 2013 equaled the required amount.</p>

## Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
		<p>Plan (PMP) developed by Visions (March 15, 2012 through May 25, 2014) and submitted to the Board on June 8, 2012, Visions shall complete and submit a Quarterly Report to the Board. Each Quarterly Report shall:</p> <ul style="list-style-type: none"> <li>• Provide evidence of Visions’ implementation of the Action Steps identified in the PMP within the Timeline(s) identified;</li> <li>• Provide evidence that the School is progressing toward the Board’s Level of Adequate Academic Performance, which includes results of benchmark assessments, presented in chart and graph format depicting the School’s academic student performance. The initial report will establish a baseline measure and each subsequent quarterly report will include previous results as well as the result for the current quarter; and</li> <li>• Provide documentation of the School’s budget expenditures for the Action Steps implemented for the quarter.</li> </ul>	<p>On 8/1/12, provided evidence of \$1,200 August voluntary contribution submitted to IRS on 8/1/12.</p> <p>On 8/3/12, provided evidence that the \$1,200 July voluntary contribution was submitted to the IRS on 7/2/12.</p> <p>On 8/15/12, provided evidence that the fourth deposit made with the IRS in fiscal year 2013 equaled the required amount.</p> <p>On 9/1/12, provided evidence that the fifth deposit made with the IRS in fiscal year 2013 equaled the required amount.</p> <p>On 9/3/12, provided evidence that the September voluntary contribution of \$1,280.96 was submitted to IRS on 9/3/12.</p> <p>On 9/14/12, provided evidence that the sixth deposit made with the IRS in fiscal year 2013 equaled the required amount.</p> <p>On 9/29/12, provided evidence that the seventh deposit made with the IRS in fiscal year 2013 equaled the required amount.</p> <p>On 9/29/12, provided evidence that the October voluntary payment of \$1,286.96 was submitted to the IRS.</p> <p>On 10/16/12, provided evidence that</p>

### Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
			<p>the eighth deposit made with the IRS in fiscal year 2013 equaled the required amount.</p> <p>On 10/24/12, provided copy of Form 941 filed with the IRS for third quarter of 2012 (July through September 2012).</p> <p>On 10/30/12, provided evidence that the November voluntary payment of \$1,200.01 was submitted to the IRS.</p> <p>On 10/31/12, provided evidence that the ninth deposit made with the IRS in fiscal year 2013 equaled the required amount.</p> <p>On 11/15/12, provided evidence that the tenth deposit made with the IRS in fiscal year 2013 equaled the required amount.</p> <p>On 11/26/12, provided documentation showing the charter holder has accepted a proposed installment agreement with the IRS for monthly payments of \$1,200. The formally approved installment agreement with the IRS is pending.</p> <p>On 11/30/12, provided evidence that the eleventh deposit made with the IRS in fiscal year 2013 equaled the required amount.</p> <p>On 11/30/12, provided evidence that the December voluntary payment of</p>

### Consent/Settlement Agreements that are being monitored

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			<p>\$1,200 was submitted to the IRS.</p> <p>On 12/14/12, provided evidence that the twelfth deposit made with the IRS in fiscal year 2013 equaled the required amount.</p> <p>On 1/2/13, provided evidence that the thirteenth deposit made with the IRS in fiscal year 2013 equaled the required amount.</p> <p>On 1/2/13, provided evidence that the January voluntary payment of \$1,200 was submitted to the IRS.</p> <p>On 1/8/13, provided copy of executed Installment Agreement with IRS. Agreement requires \$1,200 per month payments beginning January 15<sup>th</sup> and continuing on the 15<sup>th</sup> of each month thereafter. The \$1,200 payment made on 1/2/13 serves as the January payment under the Installment Agreement.</p> <p>On 2/11/13, provided evidence that the Installment Agreement's February payment of \$1,200 was submitted to the IRS.</p> <p>On 3/25/13, provided evidence that the Installment Agreement's March payment of \$1,200 was timely submitted to the IRS.</p> <p><b>Performance Management Plan</b> On 11/15/12, provided the initial</p>

### Consent/Settlement Agreements that are being monitored

School Name	Date of Board Action	Terms	Status of compliance with Terms
			<p>quarterly report on progress with implementation of the PMP. The charter holder included evidence of implementation and discussed alignment with efforts conducted by ADE due to being designated as a Priority School.</p> <p>On 2/7/2013, provided the second quarterly progress report on implementation of their Performance Management Plan. The charter holder submitted an update from the previous report and provided evidence of implementation of the plan. The school continues to work with the Solutions Team from ADE on implementing its improvement plan.</p>

### Status of Board Requested Reports/Site Visits

School Name	Date of Board Action	Board Request of School/Staff	Status of compliance with request

### Failing Schools

School Name	Date of Board Action	Violation	Hearing Information	Status

### Civil Penalties

School Name	Date of Board Action	Violation	Amount of Civil Penalty	Date Appeal Timeframe Expires	Status