



Volume II, Issue 1

February 12, 2003

February Board Meeting Summary

New Charter Schools Approved – Congratulations to the twelve new charters that were approved to begin operation for the 2004-2005 school year. Schools were approved for both Northern and Southern Arizona and in the Phoenix metropolitan area. New charters include:

Arizona Montessori Anthem	Arizona Montessori Gilbert
Arizona Up Grade Academy, Inc.	CA Rosefield, LLC
East Valley Arts & Technology Academy, Inc.	e-cademie
Esperanza Community Collegial Academy	JHJ, Inc.
Mohave Accelerated Elementary School, Inc.	New Century Educational Management Services, LLC
Satori, Inc.	West Valley Arts & Technology Academy, Inc.

Superintendent's Report – Superintendent's Designee Mary Gifford reported that ADE recently released a memorandum regarding the recalculation of charter school state aid for fiscal year 2003. Schools should be reviewing this data and submitting the verification form to School Finance by February 20, 2004. Ms Gifford stated that charter schools that owe the State money for fiscal year 2003 will have two years to pay it back and for those schools that the State owes money, the funds will be included in the next payment cycle.

Executive Director's Report – Kristen informed the Board that staff had been working with Harcourt, the testing company, and with the Department of Education to communicate opportunities for workshops and calling schools that failed to submit the necessary data for test distribution. Additionally, Kristen reported that the staff were coordinating a two-day workshop for new charter school operators and new charter school personnel that will be held on March 22 and March 29. These workshops are designed to provide a wide range of information and resources that new charter operators will need to know in the coming year. As the workshop dates approach, please look for additional information on the Board's website.

State Board of Education (SBE) Executive Director Christy Farley updated the Board on items discussed and action taken by the SBE at its January meeting. These items included: 1) the approval of English Language Learner proficiency standards; 2) the approval of a reduction in the N count from 30 to 16 for use in the classification of schools under the Arizona LEARNS accountability system for 2004-2005; 3) the release of the science standards for public comment; 4) an update on the Teacher Certification Task Force where they have had good charter school representation; 5) a discussion on the re-test policy for High School Students that have met the standard on the AIMS test and wish to re-take the test; and 6) 8th grade AIMS math cut scores that will be discussed at the February SBE meeting. Additionally, Ms. Farley handed out a 2004 Critical Issues Timeline listing timeframes for issues that will be considered by the SBE this year.

Legislative Sub-committee Report & Actions – Paul Smiley, the Chairman of the Legislative Sub-committee, informed the Board that the sub-committee met twice since the last Board meeting. At these meetings the sub-committee reviewed education bills and made recommendations whether to support, oppose, or take no position on each bill. The bill tracker that included the sub-committee's recommendations was presented and after discussion was adopted by the Board. Additionally, the sub-committee reviewed the legislative agenda of the Board and heard public comments from charter school operators and representatives of the Charter School Association who had concerned about the breadth of the bills. After consideration of these discussions as well as information from House Leadership and Representative Boone, the sponsor of HB 2255 (the Board's legislation), the Board passed a motion to request an amendment to HB 2255 that would strike all new language but allow the Charter School Board the ability to direct ADE to withhold 10% without first having to go through the SBE. The Board directed staff to continue to seek statutory changes to allow for application fees.

President Kurt Davis presented the Board with a draft policy on the use of existing disciplinary tools (e.g. 10% withholding of state aid and revocation of the charter) to most effectively and consistently hold charter schools accountable. The Board reviewed this draft policy and forwarded it to the Charter Oversight sub-committee for further discussion and development.

Charter Oversight/Strategic Planning Sub-Committee Report & Actions – Cassandra Larsen, the Chairman of the Charter Oversight sub-committee, informed the Board that this committee met once since the last Board meeting. The following items were discussed:

- **2005-2006 New Charter School Application Process** – The sub-committee discussed the 2005-2006 new charter school application and at the next sub-committee meeting will review feedback from applicants and reviewers on the process and prepare a final recommendation to bring back to the Board at the March meeting.
- **Transfer Application Approved** – The sub-committee presented a recommendation and the Board approved the charter school transfer application process and forms for the 2004-2005 school year with minimal changes from the previous year's application. The new transfer application may be found on our website.
- **Ex-officio member of the Board** – The sub-committee discussed and considered appointing the President of the Charter School Association as an ex-officio member of the Board. The sub-committee received legal advice that the Board would need to seek statutory change to effectuate this process. The sub-committee encourages participation from the Charter School Association as well as all charter stakeholders.

The Board directed its Charter Oversight Sub-committee to consider the creation of policy regarding the attendance of representation from schools that appear on the Board's agenda and the Board's development of a process for granting extensions for charter schools that want to delay their opening.

Schools Transfer to Board – The Board voted to approve the transfer of four State Board of Education charter schools to the Board. When the transfer contract is signed, the Board will become the sponsor of Benchmark School, Inc., Calli Ollin Academy, Pine Forest Charter School, and Vechij Himdag MashchamakuD. Since July 2003, a total of 24 SBE schools have transferred to the Board.

Rulemaking Process Continues – The Board approved non-substantive changes to its application process final rule package. The Board will forward the package to the Governor's Regulatory Review Council for consideration at its March 2 meeting.

Thanks to Our Host – Thank you to Jayne Shaw and Mission Charter School in Phoenix for hosting this month's Board meeting. The Board appreciates the hospitality provided by the school.

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Volume II, Issue 2

March 17, 2004

March Board Meeting Summary

Olweus Bullying Prevention Initiative Presented – Dr. Xavier Morales, Associate Director of the Arizona Prevention Resource Center at ASU, presented information on the Arizona Bullying Prevention Initiative. The evidence-based bullying prevention program is wrapping up its first year. The pilot included 15 schools across nine school districts. In its second year, the Initiative plans to build capacity in the school districts by training trainers. While the Initiative will continue to work with the same schools in year two, Dr. Morales said there has been discussion about adding a charter school to the program and training a charter school person to be a “trainer of trainers”.

ADE Updates Board on Various Issues – Ron Carriveau of ADE’s Standards and Assessment Unit provided an overview of the State mandated testing policy/dual purpose assessment and discussed the revision to the AIMS 8th grade math cut scores. Dr. Ildiko Laczko-Kerr of ADE’s Research and Standards Unit presented information on the State accountability system and recent modifications made to it. Specifically, Dr. Laczko-Kerr informed the Board that the State Board of Education recently revised the n-count required from 30 to 15 for labeling of schools under the Arizona LEA RNS formula. Charter schools may choose to receive their 2003 label based upon this change for informational purposes only. The Board encouraged schools to request their 2003 label. If any schools are interested in receiving this label please contact Dr. Laczko-Kerr.

Superintendent’s Report – Superintendent’s Designee Mary Gifford provided an update on Superintendent of Public Instruction Tom Horne’s appeal of the recent federal audit that challenges the state’s decision to provide federal funds to for-profit charter schools that serve low-income and special needs students. The U.S. Department of Education Office of the Inspector General has requested additional information be provided by Arizona’s Attorney General. Ms. Gifford stated that the Superintendent suggests for-profit charter schools consider changing their status to nonprofit if it is required that the ADE stop the flow of federal funds to for-profit charter schools.

Executive Director’s Report – Kristen informed the Board that its first rule making package, which included the application process, has been approved by the Governor’s Regulatory Review Council. The Board has opened a docket for its next rulemaking package, which will address its charter oversight processes. Additionally, Kristen provided the Board with a draft calendar of upcoming events and deadlines. Kristen also introduced Lee McIlroy, who recently joined the staff as a Research and Statistical Analyst.

Legislative Sub-committee Report & Actions – Kristen reported that the Legislative Sub-committee held an abbreviated meeting on February 18th as that was also the day the Board’s continuation bill was heard in the House Education Committee. Director of Government Affairs Michele Diamond informed the Board that HB 2255 (the Board’s legislation) had been amended in the House Education Committee to strike all new language but allow the Board the ability to direct ADE to withhold 10% without first having to go through the State Board of Education. Additionally, Michele updated the Board on the status of various education bills. The Board took a position on HB 2618 and HB 2696.

Charter Oversight/Strategic Planning Sub-Committee Report & Actions – Cassandra Larsen, the Chairman of the Charter Oversight sub-committee, presented the following information for Board consideration:

- **2005-2006 application process approved** – After Ms. Larsen reviewed the revisions, the Board voted to approve the 2005-2006 new charter school application forms and process. The Board will hold prospective applicant workshops on April 2, May 6, and June 4 at which times the application process and forms will be discussed. As the workshop dates approach, please visit the Board’s website for additional information. The submission deadline for 2005-2006 applications will be August 6, 2004.

- **Disciplinary actions policy discussed** – Ms. Larsen presented a draft policy on the use of the Board’s disciplinary tools. The draft policy describes the Board’s statutory discipline authority, factors to consider in determining appropriate discipline, and staff investigation and report regarding non-compliance. After discussion, the Board referred the policy back to the sub-committee for further review. The Board will consider a first draft of this policy in the near future.
- **Opening timeframe and charter execution policies** – The Board completed its first reading on two policies related to opening of charter schools. The first addresses timeframes for signing a charter and/or opening a charter school. Under this policy, an applicant approved to operate a charter school must execute the contract within 12 months of the date of charter approval by the Board and must begin providing educational services within 12 months of the contract’s execution or within 24 months of charter approval, whichever date occurs later. The second policy addresses granting good cause extensions for the execution of a charter contract or opening and describes factors the Board will consider when determining whether to grant a good cause extension. If an extension is granted, Board staff will review the charter holder’s approved application and the current application administrative checklist to determine whether additions or substantive changes are necessary to bring the application current with requirements. The holder must submit the requested changes to Board staff 90 days prior to school opening. The Board will consider adopting both policies at its April meeting.
- **School attendance at Board meetings** – The sub-committee discussed the creation of a policy regarding charter school attendance at meetings where their school is on the agenda. Ms. Larsen said the sub-committee decided that the Board does not need a policy. Instead, staff will inform the schools that they should be at the meeting to answer Board questions. If they choose not to attend, the Board may postpone taking action.

Schools Transfer to Board – The Board voted to approve the transfer of two State Board of Education charter schools to the Board. When the transfer contract is signed, the Board will become the sponsor of Scottsdale Educational Enrichment School and Visions Unlimited.

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Volume II, Issue 3

April 16, 2004

April Board Meeting Summary

Superintendent's Report – Superintendent's Designee Mary Gifford provided an update on Superintendent of Public Instruction Tom Horne's appeal of the recent federal audit that challenges the state's decision to provide federal funds to for-profit charter schools that serve low-income and special needs students. Charter operators were notified of and invited to attend the April 9th meeting regarding the status of this audit and to discuss possible outcomes and how they may impact for-profit charter schools. At the April meeting, for-profit charter schools were encouraged to assess whether it would be advantageous to change their status to nonprofit if it is required that the ADE stop the flow of federal funds to for-profit charter schools. The U.S. Department of Education Office of the Inspector General has requested additional information be provided by Arizona's Attorney General.

Executive Director's Report – Kristen Jordison informed the Board that 22 schools participated in the two-day New Operator Workshop held on March 22 and March 29. Additionally, 15 people attended the first Prospective Applicant Workshop held on April 2. The Board will host additional Prospective Applicant Workshops on May 6 and June 4. For more information, please see the Board's website. Kristen also updated the Board on the status of schools with on-going Board actions – Classical Kids Academy, Future Development, North Star Middle Charter School, Omega Alpha Academy, and Rolling Hills Charter School.

State Board of Education Executive Director Christy Farley invited Board members to attend the SBE Study Session on May 17. The session will cover various issues including achievement profile rubrics for small and alternative schools, teacher certification, and State intervention for schools labeled under-performing for three years.

Lee McIlroy, staff Research Analyst, briefly updated the Board on his participation on the ADE's State Assessment and Accountability Committee and Accountability Working Group. Issues relevant to charter schools include the development of the alternative and extremely small school rubrics as part of achievement profiles and the recalculation of MAP. Lee is working directly with charter representatives on the rubrics and is incorporating their feedback.

Linda Proctor Downing and Kelly Hurt provided a brief presentation to the Board on the Green Book, which is an interactive search engine for grants. For more information, visit the Green Book Grants Management website at www.gbgm.info.

Legislative Sub-Committee Report & Actions – Director of Government and Financial Affairs Michele Diamond informed the Board that both bills that would continue the Board for another 10 years have died. However, the Board was told that the bills' failure was not reflective of dissatisfaction with the Board. House staff has indicated to the Board that they will be adding amendments on to three bills to continue the Board. Additionally, Michele reported that HB 2255 – the Board's legislation – which would enable the Board to bypass the State Board of Education for an expedited process to withhold state aid, is progressing quickly through the legislative process. Once it passes final read in the Senate, it will be transmitted to the Governor. Further, since the last meeting, HB 2580, which would add two more members to the Board, was amended in the Senate to require that one of the six public Board members reside on an Indian reservation. This bill has been sent back to the originating chamber for the sponsor to accept or refuse these changes.

Charter Oversight/Strategic Planning Sub-Committee Report & Actions – Cassandra Larsen, the Chairman of the Charter Oversight sub-committee, reported that the sub-committee had good charter school participation at its last meeting and then presented the following information for Board consideration and/or action:

- **Accountability policy to have first read** – Ms. Larsen reported that the Board’s accountability actions policy will have its first reading in May. The policy describes the Board’s statutory discipline authority, factors to consider in determining appropriate discipline, and staff investigation and report regarding non-compliance.
- **New policies approved** – The Board approved two new policies related to the opening of charter schools. The first policy addresses time-frames for signing a charter and/or opening a charter school. The second addresses granting good cause extensions for the execution of a charter contract or charter school opening and describes factors the Board will consider when determining whether to grant a good cause extension.
- **Audit review process refined** – The Board adopted a refined process for review and follow-up on charter school annual audits as well as approved the use and review of management letters for fiscal year 2003 audits. After implementing the audit process for the first time and reviewing the feedback received, the Board decided to change the letters it sends out to the charter schools to indicate the specific components reviewed in the audit package and to more closely mirror the verbiage used in the audits.

Outreach/Public Awareness Sub-Committee Report & Actions – Kimberly Mosher reported that the outreach sub-committee held its first meeting and has not yet elected a chairperson. At its first meeting, the sub-committee discussed the need to disseminate proper information to stakeholders and taxpayers and to share information with the Board. Additionally, there was some discussion on sharing and responding to national charter school reports and information that affect and/or involve Arizona. The sub-committee’s next meeting is scheduled for April 28.

Board Approves Withholding Funds – Congratulations to the approximately 90% of Board-sponsored charter schools that submitted their audits by the March 31 deadline! The Board approved withholding 10% of the monthly state aid for charter schools that had not submitted their fiscal year 2003 financial statement audits.

Thanks to Our Host – Thank you to Sherri Kisselbach and Phoenix Advantage Charter School for hosting this month’s Board meeting. The Board appreciates the hospitality provided by the school and the entertainment provided by Miss Young’s and Miss Hahn’s classes.



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May 12, 2004

May Board Meeting Summary

National Assessment of Educational Progress (NAEP) Presentation – Arizona’s NAEP Coordinator Dr. Cindy Paredes provided the Board with an overview of Arizona’s NAEP activities. NAEP, also known as the “nation’s report card”, provides information on state and national student achievement and how that achievement has changed over time. The No Child Left Behind Act requires that NAEP assessments be administered in reading and mathematics at grades 4 and 8 every two years. States and school districts that receive federal funding to aid educationally disadvantaged students in high poverty areas must participate in these assessments. For more information and practice items for NAEP assessments, please visit www.ade.az.gov/standards/naep.asp

Executive Director’s Report – Kristen Jordison updated the Board on the status of the schools with on-going actions. Kristen provided the Board with a meeting schedule and calendar. Kristen stated that the Board will not meet in August, which means schools will need to submit amendment requests within the timeframes provided for changes to items such as increases in grade levels served to be considered for the June or July Board meetings. A notification of the timeframes for these meetings will go out via the listserv and will be posted on the ASBCS website.

Legislative Sub-Committee Report & Actions – Director of Government and Financial Affairs Michele Diamond reported that HB 2255 – the Board’s legislation – which would enable the Board to bypass the State Board of Education (SBE) for an expedited process to withhold state aid, has been signed by the Governor. Additionally, Michele stated that HB 2580, which would add two more members to the Board and require that one of the public members reside on an Indian reservation, was amended in conference committee to include the Board’s continuation. The changes were adopted by the Senate and now are awaiting action in the House. Finally, Michele reported that SB 1405 – the Department of Education budget reconciliation bill – continues the moratorium on the SBE from sponsoring any additional charter schools for fiscal year 2004-2005 and requires the SBE enter into an intergovernmental agreement with the Board to provide oversight for SBE-sponsored charter schools. The Board requested a special meeting to discuss issues related to all day kindergarten. The Board wants to ensure that any final agreement is not detrimental to charter schools. This special meeting has been scheduled for Thursday, May 13, at 4:00 p.m.

Charter Oversight/Strategic Planning Sub-Committee Report & Actions – The Board completed the first reading of the accountability policy matrix. Cassandra Larsen, the Chairman of the Charter Oversight sub-committee, reviewed the policy for the Board members and those in attendance. The policy includes sections on staff investigation and report regarding non-compliance, factors to be considered in determining appropriate board action, and statutory authority. Ms. Larsen said the Board wanted a framework from which staff works, the Board makes decisions, and the schools have due process. The accountability policy matrix was referred back to the sub-committee for preparation for the final read before the Board in June. The sub-committee will hold its next meeting at 9:30 a.m. on Thursday, May 20.

Schools Transfer to Board – The Board voted to approve the transfers of Akimel O’Otham Pee Posh (K-2) and Akimel O’Otham Pee Posh (3-4) from the Higley School District, and to approve the transfer of Cornerstone Charter School and Happy Valley Charter School from the Peach Springs School District to the Board. Additionally, the Board approved transferring two sites currently operating under existing charters and assigning them their own charters. With the Board’s action, Arizona Engineering Preparatory, Inc. and StarShine Academy will have their own charters rather than operate as sites under Arizona Agribusiness and Equine Center and Phoenix School of Academic Excellence, respectively. When the transfer contract is signed, the Board will become the sponsor of these six schools. The Board tabled action on Cholla Academy dba Westland’s transfer request until June, as a school representative was unable to attend the May meeting.

Board Acts on Extension Requests – The Board approved East Mesa Charter Elementary School’s request for an extension of the first day of operations. The Board denied Canyon State Academy’s request for an extension and encouraged the school to reapply for a new charter. The Board tabled action on Gold Canyon College Preparatory’s request, as a school representative was unable to attend the May meeting.

Voluntary Surrender of Charters Accepted – Based on a written request and verbal confirmation from the schools’ charter representative, the Board accepted the voluntary surrender of the charters for CI Wilson Academy II, Phoenix College Preparatory, and South Mountain College Preparatory for termination of the contract on June 30, 2004.

Additionally, the Board accepted the consent agreement for voluntary surrender and termination of the charter contract for Educational Administrative Services Corporation’s (EASC) Discovery Academy. The Board also approved the site closure notification request of EASC’s Fillmore Academy an addendum that modified the charter contract to provide that EASC shall not take action on or implement the addition of sites to its charter contract without prior approval and written consent of the Board.

Rolling Hills Charter School – The Board voted to issue a Notice of Intent to Revoke the charter of Rolling Hills Charter School for issues identified in the fiscal year 2003 annual financial audit and compliance questionnaire. Additionally, the Board amended the basis for its earlier withholding of 10 percent to include these items and continue withholding 10 percent.



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June 28, 2004

June Board Meeting Summary

Executive Director's Report – Kristen Jordison and Superintendent's Designee Mary Gifford provided a status update on the appeal of the recent federal audit that challenges the State's decision to provide federal funds to for-profit charter schools that serve low-income and special needs students. The Arizona Department of Education (ADE) is awaiting the release of the Arizona Attorney General's opinion, which will be forwarded to the federal government for its review. ADE will be advising for-profit charter schools in July, as part of the allocation memorandum, that if they accept federal Title I and federal IDEA monies they do so knowing that they may be required to pay the monies back. Approximately 20 charter schools could be affected.

Additionally, Kristen updated the Board on the status of schools with ongoing actions as well as the Board's on-line activity and due dates calendar. The calendar may be accessed at http://www.asbcs.state.az.us/asbcs/asbcs_calendar.htm. Finally, Heather Kelley was introduced as the newest member of the staff. Heather will be replacing Mike Barragan in the office. The Board welcomed Heather and wished Mike good luck with his new opportunity.

Legislative Update – Director of Government and Financial Affairs Michele Diamond highlighted certain bills that passed the Legislature and were signed by the Governor:

- HB 2580 adds a charter school teacher and a charter school operator to the Board and requires that one of the six public members reside on an Indian reservation. Additionally, HB2580 continues the Board until 2014.
- HB 2255 allows the Board to bypass the State Board of Education (SBE) for an expedited process to withhold state aid. The bill's provisions are effective August 25, 2004.
- Among its provisions, SCR 1022 adds a charter school owner or administrator to the SBE. This is a constitutional change and as such, will have to go to the voters for approval at the next general election before it can become law.
- HB 1405 includes provisions related to full-day kindergarten. Michele mentioned that the ADE has sent out information to schools on which schools are eligible and how to apply for the program. HB 1405 also continues the moratorium on the SBE from sponsoring any additional charter schools for FY 2004-2005.
- HB 2104 eliminates school-by-school budgets and annual financial reporting for the next two fiscal years. These changes are reflected in the new budget forms that were scheduled to go out last week.

President Kurt Davis stated that the Board will begin developing its legislative agenda for the 2005 session in order to finalize it by November. Additionally President Davis asked that the tenets and objectives of the Board's proposed budget for fiscal years 2006 and 2007 be presented at the July meeting.

Outreach/Public Awareness Sub-Committee Report – Mary Lynn Kelly, the chairman of the Outreach sub-committee, reported that the sub-committee is developing print materials for use in educating stakeholders about charter schools. The sub-committee plans to begin drafting print materials for the next sub-committee meeting. The sub-committee's next meeting has been scheduled for Wednesday, June 23, at 9:30 a.m.

Charter Oversight/Strategic Planning Sub-Committee Report & Actions – Cassandra Larsen, the Chairman of the Charter Oversight sub-committee, presented the following information for Board consideration and/or action:

- **Accountability policy** – The Board adopted an accountability policy. The policy includes sections on the Board's statutory authority, factors to consider in determining appropriate board action, and staff investigation and report regarding non-compliance.
- **Audit compliance questionnaires** – Ms. Larsen stated that at its last meeting, the sub-committee discussed the compliance questionnaires that are completed as part of the annual financial statement audits. Because of the new audit submission deadline, the sub-committee decided to only make the required statutory changes to the questionnaires for the FY 2003-2004 audits. However, in the future, the sub-committee will revisit the questionnaires for the FY 2004-2005 audits.

Board Acts on Transfer and Extension Requests – The Board voted to approve the transfers of Cholla Academy dba Westland Academy from the Higley Unified School District to the Board. When the transfer contract is signed, the Board will become the sponsor of this school. Additionally, the Board denied Gold Canyon College Preparatory's request for an extension of the first day of operation.

Voluntary Charter Surrender Accepted – The Board accepted the consent agreement for voluntary surrender and termination of the charter contract for Black Family and Child Services, Inc. dba Teen Choice Leadership Academy. The Board also required the submission of the fiscal year 2003 audit by June 30, 2004.

North Star Middle School – The Board conducted a public hearing to consider North Star Middle School, Incorporated's appeal of the Board's February 2004 decision to reject its application to establish a charter school and deny the request for a charter. At its June meeting, the Board affirmed its denial of the application based on the findings of fact and conclusions of law.

Board Revokes Charters – The Board accepted the administrative law judge's findings of fact and conclusions of law for Future Development Corporation and adopted the judge's recommended order that the charter contract between the Board and Future Development Corporation be terminated and the charter revoked effective June 14, 2004.

Additionally, the Board accepted the administrative law judge's findings of fact and conclusions of law for ReInventEd, Inc. and adopted the judge's recommended order that the charter contract between the Board and ReInventEd, Inc. be terminated and the charter revoked effective June 14, 2004. The Board further amended the order to request the Attorney General's office initiate collection proceedings for money owed to the State.

Finally, after holding a public hearing, the Board adopted the findings of fact and conclusions of law, amended to include the submission of two additional outstanding grant reports, for Classical Kids Academy and adopted the proposed order amended to request the Attorney General's office initiate collection proceedings for money owed to the State.

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July 22, 2004

July Board Meeting Summary

Superintendent's Report – Superintendent's Designee Mary Gifford reported the following:

- Ms. Gifford reminded schools that while they are encouraged to release individual student test scores to parents they are not to release aggregate scores as they are still embargoed. The Board requested staff to write a letter to the Department of Education regarding the embargo policy. The Board will encourage the Department to enable schools to release aggregate information over the summer to help parents make school choices for the upcoming year.
- ADE continues its development of a recommendation to take to the State Board of Education for the labeling of small and alternative schools.
- The Board discussed the School Report Cards issued by ADE. The Board requested that this issue be analyzed and full recommendations be developed. This matter was dually referred to the Board's legislative and oversight subcommittees.

Executive Director's Report – In addition to reporting on the status of schools with ongoing actions, Kristen Jordison provided the following information:

- **Writing standards adopted** – At its meeting on June 28, the State Board of Education adopted the articulated academic standards in writing. These standards become effective for the 2005-2006 school year.
- **Application cycle update provided** – A total of 84 individuals attended three prospective applicant workshops offered between April and June. A Round Table Review in June provided all interested applicants an opportunity to review their applications with experts in the field. Six application packages have been submitted to the Board thus far. The deadline for submission is August 6, 2004.
- **Budget information presented** – After providing a fiscal year 2005 budget overview, Kristen provided the Board with recommendations for the next biennium including funding for full development of a comprehensive accountability and compliance database, funding to increase the staff from the current 8 to 10 FTE that the Board has been allotted, and increased travel funding for staff visits to schools and due to the addition of two new Board members and one member from a reservation.
- **Charter school counts provided** – In addition to providing a summary for fiscal years 1996 through 2005, Kristen reported that currently Arizona has 367 charters representing 502 sites. The Board serves as the sponsor of 317 charters representing 416 sites and the staff provides oversight of the 34 charters sponsored by the State Board of Education representing 52 sites. School districts currently sponsor 16 charters representing 34 sites.

Outreach/Public Awareness Sub-Committee Report – Mary Lynn Kelly, the chairman of the Outreach sub-committee, reported that the Outreach committee met and is developing informational materials to bring back to the full Board for consideration.

Board Approves Request – The Board considered and approved Phoenix Day's request to suspend operations for one year. The school has operated in compliance with their contract for the past year of operation and served



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20 kindergarten students. The Board further requested that a policy be developed for this type of request in the future. The Oversight Sub-committee will address this in the near future.

Dove Academy – The Board denied the request of Dove Learning, Inc. to add grades 10, 11 and 12 to their charter. The Board expressed concern regarding any school growing until after it had demonstrated at least a year's compliance with a corrective action plan. Further, the Board instructed the Executive Director not to place amendment requests on the agenda if a school is out of compliance with its charter.

Wide Ruins Community School, Inc. – The Board voted to issue a Notice of Intent to Revoke the charter of Wide Ruins Community School for issues of non-compliance with special education laws, issues identified in the fiscal year 2003 annual financial audit and compliance questionnaire, and issues regarding the school's comprehensive program of instruction.

Thanks to Our Host – Thank you to David Curd and Humanities and Sciences High School for hosting this month's Board meeting. The Board appreciates the hospitality provided by the school.



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September 14, 2004

September Board Meeting Summary

Board Welcomes New Member – A vacant seat on the Board has been filled with the appointment of Mr. David Hume as a Business Member. Mr. Hume brings to the position experience in internal communications, team development, training and facilitation, and organization design. As we welcome Mr. Hume to the Board, we thank his predecessor, Mr. Paul Smiley for his service.

Executive Director's Report – In addition to reporting on the status of schools with ongoing actions, Kristen Jordison provided the following information:

- **Charter application cycle update** – The deadline for submission of applications for the 2005-2006 school year was August 6, 2004. The Board received 26 unique applications for new charter schools. Of these, 15 were deemed administratively complete and will move forward in the process.
- **Audit follow-up efforts** – In accordance with the process adopted by the Board last fall, staff has completed the review of 255 fiscal year 2003 audits. These schools have all received a letter from the Board in response with some schools required to submit a corrective action plan. Those schools that failed to submit their plans by the deadline will be contacted and informed that a plan must be submitted or the school will be placed on the Board's October agenda for possible disciplinary action. The Board has also received its first fiscal year 2004 audit from Montessori House and we would like to thank them for their diligence in submitting early. Please remember that the fiscal year 2004 audit deadline is November 15th.
- **Board budget** – The Board's budget request for fiscal years 2006 and 2007 was submitted to the Governor's budget office on September 1. Additionally, a Project Investment Justification was submitted to the Government Information Technology Agency that provides justification and costs for the development of the database that the Board has included in its budget.
- **Future Board meetings** – With October 11th being a holiday, the Board's October meeting will be held on Tuesday, October 12. Looking ahead to 2005, the Board plans on holding its March meeting in Tucson and its July or August meeting in Flagstaff.

Additionally, Kristen updated the Board on a few issues discussed during the State Board of Education (SBE) meeting held August 30th.

- **Arizona Learns formulas** – The SBE adopted Arizona Learns formulas for small school, K-2 schools, and alternative schools. For the past two years, many charter schools have not received an Arizona Learns label due to the size of their school or their classification as an alternative school. On October 15th, the Arizona Learns labels will be released and all charter schools that are at least in their 4th year of operation will receive an Arizona Learns label. At the October meeting, the Board will be provided with additional detail and information about these formulas and the statutory responsibilities of the Board in relation to these labels.
- **Parent survey** – The Board was provided with copies of the 2004 parent survey commissioned by the SBE in conjunction with the Arizona Department of Education (ADE). The purpose of this study was to measure parents' satisfaction with the Arizona public school system.



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- **Certification reform** – As part of certification reform efforts, draft rules in the areas of alternative paths, certificate renewal, reciprocity, and administrative certificates will be presented to the SBE in September.
- **On-line certification** – By the end of December, the SBE will have a fully functional on-line certification system that will provide data on who is certified and where they are teaching. The Board will be working closely with the SBE and ADE on how charter schools may choose to be included in this system for their non-certificated personnel so that they can be tracked and additional information provided to the public.

Oversight Sub-Committee Report – Cassandra Larson, the chairman of the Oversight sub-committee, presented the following update to the Board:

- **School Report Card** – At its August meeting, the sub-committee discussed whether it wanted to pursue legislative changes to the statutorily required School Report Cards. Since this issue was assigned to both this committee and the legislative committee a joint meeting will be held on September 28th at 9:00 am to discuss this further.
- **Joint sub-committee meeting scheduled** – The Oversight and Legislative sub-committees will hold a joint meeting at 9 a.m. on Tuesday, September 28, in the Executive Tower at 1700 W. Washington Street in Phoenix. During this meeting, the sub-committees will discuss additional authorizers and the School Report Card. Ms. Larsen invited all with an interest in these issues to attend.
- **Policy on suspension of charter operations** – The sub-committee is drafting a policy for reviewing charter requests to suspend operations. It is anticipated that this policy will come to the Board for its review in October.
- **Accountability processes** – At its August meeting, a presentation was given by Board staff on the processes in place for reviewing charter schools' compliance with their contracts and holding charter schools accountable. Ms. Larsen suggested that the Board conduct a round table discussion on the accountability processes already in existence for charter schools as well as additional policies & procedures on these processes.

Legislative Sub-Committee Report – In October, the Legislative Sub-committee plans to recommend possible legislation for the Board to pursue during the 2005 Legislative Session. The first read of these recommendations would occur at the Board's October meeting with the Board adopting its legislative agenda in November.

Board Requests Charter Surrender Agreement – After receiving information on the school's internal management problems resulting in closure, the Board voted to require an agreement to be drafted for the surrender of Horizons Challenge Charter School's charter. The agreement will be presented at the Board's October meeting.

Charter Contract Revisions Reviewed – The Board reviewed the suggested revisions to the charter contract. The Board's Assistant Attorney General Kim Anderson explained that the suggested revisions provide clarification and ensure consistency with the Board's transfer contract, which was previously adopted by the Board. The Board will consider a final draft of the charter contract at its October meeting.



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October Board Meeting Summary

Superintendent's Report – Mr. Horne's charter school policy group is convening on a quarterly basis. Superintendent's Designee Mary Gifford thanked the members on the Superintendent's committee for their service. At the most recent meeting members received copies of the Department's *Federal No Child Left Behind Act Information for Arizona Charter Schools*. A copy of the material can be found at http://www.ade.az.gov/asd/nclb/NCLB_Charter_Schools.doc. The group was presented information by Karen Butterfield regarding the Arizona High School Renewal and Improvement Initiative. The Initiative committee has charter school representatives. Ms. Gifford stated that performance labels under AZ Learns for Extremely Small and Alternative Schools has been sent to the schools and will be released in November.

Executive Director's Report – In addition to reporting on the status of schools with ongoing actions, Kristen Jordison updated the Board on the requirement and timeline to submit Academic Declarations to the Arizona Department of Education. All public schools, including charter schools, are expected to provide their students with the opportunity to learn the Arizona Academic Standards. In order to demonstrate this, all public schools, including charter schools, must annually submit to the Arizona Department of Education a Declaration of Curricular and Instructional Alignment to the standards in Reading, Writing, and Mathematics. Because the State is transitioning from benchmark to articulated standards in mathematics, reading, writing, science and social studies on a staggered schedule, the process/schedule of submission of declarations has been modified accordingly. The declaration statement from the school's Governing Board and Superintendent/Charter administrator is due December 1, 2004. For more information, please visit ADE's website at www.ade.az.gov.

Oversight Sub-Committee Report – Cassandra Larsen, the chairman of the Oversight sub-committee, thanked charter schools for their participation during the sub-committee's last meeting. Ms. Larsen indicated that the items discussed at that meeting would be covered later on the agenda.

Legislative Sub-Committee Report – Mary Gifford, the chairman of the Legislative sub-committee, discussed the possibility of pursuing three additional tools for the Board to use in its oversight responsibility at its September meeting. These issues were mandatory training, additional withholding over the 10% currently authorized in statute, and letters of concern. The Sub-Committee determined, based in part on staff feedback, that it would not pursue these tools at this time. During the joint meeting, the Legislative and Oversight sub-committees received information on the School Report Card published by the Arizona Department of Education. It also discussed pursuing legislation that addresses additional charter school authorizers. The Board ultimately decided not to pursue its own legislation in this area but to respond to specific bills that are sponsored during the upcoming session.

Outreach/Public Awareness Sub-Committee Report – Mary Lynn Kelly, the chairman of the Outreach sub-committee, reported that the sub-committee is creating a print piece for distribution. Ms. Kelly indicated that the sub-committee wants to work with the Arizona Charter School Association so the two do not duplicate efforts.

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Charter School Accountability Timeline Presentation – Board staff gave a presentation on the contractual and statutory charter school requirements used to hold charter schools accountable over the 15-year term of the charter contract. The presentation and related documents may be found on the Board’s website at www.asbcs.state.az.us.

First Read Conducted and Items Reviewed – The Board completed a first read on two policies. First, the Board, through the work of the Oversight Committee determined that it would not have a policy regarding the temporary suspension of a charter school’s operations, but presented internal policy for the collection of information to assist the Board in considering such action. Second, the Board reviewed the process for conducting first year, second year, five year and ten year reviews of charter schools. The Oversight Subcommittee will revisit the topic of academic goals as they appear in charter contracts at its next meeting.

Also, the Board referred to the Legislative Sub-Committee for discussion the issue of activity fees charged to students by charter schools.

Arizona Montessori Charter School – The school was requested to provide a comprehensive operational plan by close of business on Wednesday, October 13, 2004. Failure to do so would result in a special meeting to be held by the Board.

Board Issues Notices of Intent to Revoke – The Board voted to issue a Notice of Intent to Revoke the charters of four schools:

- **Horizons Challenge Charter School** – At its September meeting, the Board requested that the parties develop an agreement for the surrender of the charter and that the agreement be presented in October. The Notice was issued due to the inability to reach an agreement in the timeframes established.
- **Academy of Hope** – The school failed to timely submit the fiscal year ending 2003 annual financial audit and associated compliance questionnaire and failed to remain in good standing with the Arizona Corporation Commission.
- **Casa Blanca Middle School** – The school failed to timely submit the fiscal year 2003 annual financial audit and associated compliance questionnaire and has historically failed to timely submit its annual financial audits.
- **Tertulia: A Learning Community** – The school failed to timely submit the fiscal year 2003 annual financial audit and associated compliance questionnaire, failed to comply with regulations regarding its Title IV federal grant, and has historically failed to timely submit its annual financial audits.

Other Board Action – The Board voted to continue withholding 10% of monthly state aid for Griffin Foundation, Inc. If Griffin Foundation, Inc. does not submit its fiscal year ending 2003 annual financial audit and associated compliance questionnaire by the end of October, the Board will consider issuing a notice of intent to revoke.

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Board Approves Withholding Funds – The Board approved withholding 10% of the monthly state aid for Scottsdale Horizons Charter School and Tri-City Vo/Tech High School for failure to properly fingerprint staff in accordance with state law as indicated in their annual financial audits for fiscal year 2003.



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November 15, 2004

November Board Meeting Summary

New Charter Schools Approved – Three new charters were approved to begin operation for the 2005-2006 school year. Schools were approved in the Tucson and Phoenix metropolitan areas. New schools include:
El Pueblo Integral Teaching and Learning Collaborative
Galapagos, Inc.
Heritage Montessori Charter School, Inc.

These were the first of the new applications to be approved. The Board will consider the remaining applications at its January 2005 meeting.

Oversight Sub-Committee Report – Cassandra Larsen, the chairman of the Oversight sub-committee, reported that the sub-committee held its last meeting during the Arizona Charter Schools Association conference. At this meeting, which included strong participation from the charter school community, the sub-committee continued its discussion on academic accountability.

Legislative Sub-Committee Report – Mary Gifford, chairman of the Legislative sub-committee, reported that the sub-committee discussed two issues for the Board to consider pursuing during the upcoming legislative session. These issues pertain to: 1) instituting a charter application fee to possibly fund the activities of the Board's application technical review panels and 2) requiring all charter schools to purchase a surety or performance bond that would be cashed in if the school ever closed while owing the state money. After the sub-committee meets in December, the full Board will likely hold a telephonic meeting to approve the Board's legislative agenda.

The Board completed its first reading of a letter to be sent to Representative Yarbrough, the Joint Legislative Budget Committee, and the Office of Strategic Planning and Budgeting concerning alternative authorizers. At the last Board meeting, the Board decided not to pursue its own legislation in this area, but to respond to specific bills that are sponsored during the upcoming session.

Board Approves Policy and Process – The Board conducted the final read on two items. First, the Board approved an internal policy for the collection of information to assist the Board in considering requests for temporary suspension of a charter school's operations. Second, the Board approved the process for conducting first year, second year, five year and ten year reviews of charter schools.

Charter Contract Revisions Reviewed – The Board completed a first read of clarifying changes and suggested revisions to the charter contract. Additional revisions will be necessary to incorporate specific language regarding academic accountability and AZ Learns. In January, the Board will review a draft contract that will incorporate these changes.

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Board Hears Presentation – Victoria Mangiapane with the Arizona Attorney General’s Office, Solicitor General Division gave a presentation on the Board’s roles and responsibilities as the Board responds to Findings of Fact, Conclusions of Law, and Recommendations made by an Administrative Law Judge as a result of the Board referring hearings to the Office of Administrative Hearings.

Two presentations by Arizona Department of Education (ADE) staff slated for the November meeting were moved to the January Board meeting. In January, ADE staff will present on the roles and responsibilities of the ADE School Effectiveness Division’s Solutions Teams in working with underperforming schools and on the roles and responsibilities of ADE’s Intervention Section as a result of a school receiving a Failing label.

Board Approves Withholding Funds – Congratulations to the approximately 96% of Board-sponsored charter schools that submitted their Annual Financial Reports by the deadline! The Board appreciates your efforts.

The Board approved withholding 10% of the monthly State Aid for following the 10 charter schools that had not submitted their fiscal year 2004 AFR – Academy of Arizona, Inc., Academy of Hope, Arizona Montessori Charter Schools, Cambridge Academy East, Inc., Choice Education and Development Corporation, Desert Springs Academy, Educational Administrative Services Corporation, Maricopa Community College District, Pathways Charter Schools, Inc., and Telesis Center for Learning, Inc.

Board Accepts Charter Surrender Agreements – The Board accepted the consent agreement for the surrender of the charter and termination of the charter contract of Patagonia Montessori Middle School. This agreement has also been approved by the school’s governing board. Patagonia Montessori Middle School was closed last year.

In addition, the Board voted to accept the consent agreement for the surrender of the charter and termination of the charter contract of Wide Ruins Community School. The school’s governing board has yet to act upon the agreement. If the school’s governing board decides not to approve it, the matter will proceed to a revocation hearing through the Office of Administrative Hearings.

Little Singer Community School Board, Inc. – The Board voted to issue a Notice of Intent to Revoke the charter of Little Singer Community School Board, Inc. for issues of noncompliance with the Uniform System of Financial Records for Charter Schools as indicated in the fiscal year 2003 annual financial audit. In addition, the Board approved withholding 10% of the monthly State Aid for the same issues and requested that the school submit a corrective action plan.