



State of Arizona
Department of Education

Arizona Charter Schools Program
(AZ CSP)

Authorizer Monitoring Procedures

8/22/2016

	Monitoring and Oversight of Authorized Public Chartering Agencies	Follow up
Federal Guidance	<p>“CSP SEA grantees should exercise due diligence in ensuring high-quality authorizing practices, including taking steps to ensure that authorizers approve charters only for schools with ambitious and attainable academic achievement goals and the capacity to meet or exceed those goals. Since 2010, the Department’s appropriations acts have required all CSP SEA grantees to demonstrate that State law, regulations, or other policies in the State where the applicant is located require that:</p> <p>A) Each authorized charter school in the State operates under a legally binding charter or performance contract between itself and the school’s authorized public chartering agency that describes the rights and responsibilities of the school and the public chartering agency; conducts annual, timely, and independent audits of its financial statements that</p>	

	<p>are filed with the authorized public chartering agency; and demonstrates improved student academic achievement; and</p> <p>B) Authorized public chartering agencies use increases in student academic achievement for all groups of students described in section 1111(b)(2)(C)(v) of the ESEA as one of the most important factors when determining to renew or revoke a school’s charter.”</p>	
<p>Procedure</p>		<p>Follow up</p>
	<p>The primary chartering agency in Arizona, the Arizona State Board for Charter Schools (ASBCS), is a state agency and, as such, is required to follow Arizona law. Arizona law requires the ASBCS, as a state agency, to annually submit a report of its authorizing activities to the Arizona Office of the Auditor General (AOG) including the following:</p> <ol style="list-style-type: none"> 1. The current number of charters authorized and the number of schools operated by authorized charter holders. 2. The academic and operational performance of the sponsor's charter portfolio as measured by the sponsor's adopted performance framework. 	<p>AZCSP desk review of the annual ASBCS report to the OAG and the AZ legislature.</p> <p>Monthly in-person or desk monitoring of ASBCS meetings and subcommittee meetings.</p>

	<p>3. The number of new charters approved and the number of charter schools closed and reason for the closure in the prior year.</p> <p>4. The sponsor's application, amendment, renewal and revocation processes, charter contract template and current performance framework. Arizona law also requires the ASBCS to annually report to the legislature for funding its operations. Included in that report are agency goals and accountability systems for charter schools. Additionally, the Arizona law creating the ASBCS is scheduled to sunset every 10 years unless reauthorized. In order to be reauthorized, the ASBCS is required to have a sunset review conducted by OAG. Reauthorization includes a systematic process for evaluating the agency for its effectiveness.</p> <p>Established by Laws 1978, Chapter 210, Arizona's sunset laws provide a systematic process to evaluate an agency to determine if the merits of the agency justify its continuation, continuation with modification or termination. Agencies subject to sunset review automatically terminate (sunset) if legislation to continue the agency is not approved by the Legislature and Governor.</p>	
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	<p>The most recent sunset review of the ASBCS was completed in September, 2013, and the Legislature reauthorized the ASBCS in the fall of 2013. Based upon the performance audit, the OAG determined that the ASBCS has improved academic performance oversight and determined that the academic framework, adopted in the fall of 2012, incorporates more rigorous academic standards than required by the SEA. Additionally, in August, 2013, the ASBCS adopted an academic intervention policy that guides its annual review of charter school academic performance and possible intervention the ASBCS may take to address charter schools that do not meet standards. If a charter holder's schools meet or exceed academic performance standards in successive years, they can be waived from annual reviews during certain years. If a charter holder's schools do not meet standards, the ASBCS will consider disciplinary or corrective action.</p> <p>ASBCS will continue to implement its academic performance intervention policy by conducting annual reviews of charter schools' academic performance, requiring</p>	
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	<p>schools to address academic performance that does not meet its standards, and taking disciplinary action as necessary. In its 18-Month Follow-Up Report, the ASBCS reported to the OAG that this recommendation was implemented at six months of the audit report.</p>	
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