



# BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: 4/16/2024

\*= Mandatory, information must be provided

Click or tap the boxes to enter text. If not applicable, indicate "N/A".

**\*Title:**

Pima Vocational High School – Voluntary Surrender and Charter Termination Agreement

**\*Introduction/Background:**

On March 19, 2024, the Board of Supervisors voted to accept a staff recommendation to surrender the charter for Pima Vocational High School (PVHS).

**\*Discussion:**

The Board of Supervisors holds the charter to PVHS, which is memorialized in a written charter agreement with the Arizona State Board of Charter Schools (ASBCS) that was renewed in 2015. In order to surrender the charter, a Voluntary Surrender and Charter Termination Agreement ("Termination Agreement") must be entered into with ASBCS. This requires a Board of Supervisors vote to approve the Termination Agreement and authorizing a PVHS Charter Representative (Community & Workforce Development Deputy Director Andy Flagg or Rhonda Pina) to sign the Termination Agreement.

**\*Conclusion:**

In order to effectuate its March 19, 2024 decision to surrender the PVHS charter, the Board of Supervisors must approve the Termination Agreement.

**\*Recommendation:**

The Board of Supervisors should vote to approve, and authorize a PVHS Charter Representative to sign, the Voluntary Surrender and Charter Termination Agreement.

**\*Fiscal Impact:**


No fiscal impact to this agreement. Closure of the school will result in an annual General Fund savings of approximately \$670,000.00.


**\*Board of Supervisor District:**


1    2    3    4    5    All

Department: Community & Workforce Development   Telephone: 724-7700

Contact: Andy Flagg, Deputy Director   Telephone: 724-8508

Department Director Signature:  Date: 3/29/2024

Deputy County Administrator Signature:  Date: 29 Mar 2024

County Administrator Signature:  Date: 3/29/24

## **SURRENDER AND CHARTER TERMINATION AGREEMENT**

This Surrender and Charter Termination Agreement (“Agreement”) is made by and between Pima County (“Charter Holder”), a political subdivision of the state of Arizona, and the ARIZONA STATE BOARD FOR CHARTER SCHOOLS (“Board”), collectively referred to herein as the “Parties” or individually as the “Party”.

### **RECITALS**

A. The Charter Holder operates Pima Vocational High School, a charter school established pursuant to A.R.S. § 15-181 et seq. and a 20-year renewal contract (“Charter”), effective on July 1, 2015, between the Charter Holder and the Board.

B. The Board sponsors the Charter Holder to operate one school, Pima Vocational High School (“the School”), serving grades 9-12 in Tucson, Arizona.

C. Andrew Flagg, Rhonda Pina, and Daphanie Conner are the Charter Representatives and persons authorized to execute documents on behalf of the Charter Holder.

D. On March 20, 2024, the Charter Holder notified the Board of its intent to close the School on June 30, 2024 because of changes in the local educational landscape and enrollment trends rendering it no longer appropriate for the Charter Holder to operate the School

### **AGREEMENT TERMS**

The Parties agree to the following terms:

**1. Agreement to Surrender and Terminate Charter:** The Charter Holder agrees to voluntarily surrender and terminate its Charter and cease operation of the School, effective 11:59 pm on June 30, 2024.

**2. Acceptance of Surrender and Termination:** The Board accepts the Charter Holder's surrender of the Charter and agreement to cease operation of the School.

**3. Resolution:** The Charter between the Charter Holder and the Board for the operation of the School is terminated effective 11:59 p.m. on June 30, 2024 for the purpose of further performance.

**4. Notice of Closure:** Within 10 business days of receiving a copy of this Agreement executed by the Board, the Charter Holder shall provide written notice of closure ("Notice of Closure") to the parent(s), legal guardian(s) or student, if the student is of majority age or legally emancipated, for each student enrolled in the School at the time of the Charter Holder's receipt of the Board executed Agreement. The Notice of Closure shall state that the Charter will be surrendered and the School will be closed effective 11:59pm on June 30, 2024. The Charter Holder shall also provide the Notice of Closure to the parent(s), legal guardian(s) or student, if the student is of majority age or legally emancipated, for any student enrolling in the School after receipt of the Board executed Agreement.

**5. Copy of Educational Records to Parent/Legal Guardian:** No later than June 30, 2024, the Charter Holder shall provide to the parent(s), legal guardian(s) or student, if the student is of majority age or legally emancipated, for each student enrolled in the School at the time of, or subsequent to, the Charter Holder's receipt of the Board executed Agreement, an executed withdrawal form for the student, a complete copy of the student's educational record including a copy of the student's final report card or transcript and, if applicable, a complete copy of the student's special education records.

**6. Student Records:** The Board and the Charter Holder agree that, upon the surrender of the Charter and termination of the School's operation, the Board shall become the custodian of the

School's student records. The Charter Holder shall retain all responsibility and liability for the maintenance of all student records during the time period prior to the Board's receipt of such records; thereafter, the Board is solely responsible and liable for such records. All student records shall be maintained in accordance with the Student Records Retention Schedule provided by the Arizona State Library, Archives and Public Records division of the Arizona Secretary of State's Office. After October 1, 2024, the Charter Holder may deliver to the Board all student records, organized alphabetically in lidded banker boxes with an alphabetical inventory list of students' names and grade levels. Upon delivery of the records, the Charter Holder shall provide written confirmation acknowledging that each student record includes all applicable documents listed in the Arizona State Library, Archives and Public Records, General Records Retention Schedule for School Districts and Charter Schools, Student Records, Schedule Number GS-1074 Rev 1. The Charter Holder shall remain responsible and solely liable for any and all student records that it fails to transmit to the Board and all claims relating to or arising therefrom. Upon receipt of such records and the aforementioned confirmation by the Charter Holder, the Board shall provide the Charter Holder with written confirmation acknowledging the Board's receipt of the inventoried records and assumption of sole responsibility for such records from that date forward. The Charter Holder assumes all responsibility and cost for transporting the records to the Board.

**7. Prohibition of Representation:** Upon surrender and termination of the Charter, the Charter Holder agrees that the ongoing business entity, referred herein as "Pima County", shall not make any representation that it is operating as a charter school. Such representation includes, but is not limited to, all communications, agreements, websites and promotional materials.

**8. Student Level Data:** The Charter Holder shall submit all requisite student level data for its receipt of state equalization funding for Fiscal Year 2023-2024 ("FY24") to the Arizona Department

of Education (“ADE”) through the Arizona Education Data Standards (“AzEDS”) system in the manner directed by ADE. The Charter Holder authorizes ADE to update the School’s student level data in the AzEDS system for the purpose of facilitating student enrollment upon the School’s closure.

**9. State Equalization Assistance Funds:** The Charter Holder is permitted to receive all state equalization assistance funds for FY24 to which it is entitled under the school funding formula provided in Arizona law, but no more. The Charter Holder shall refund any overpayment of state equalization assistance funds in the amount and manner determined by ADE.

**10. State Aid Calculations and Payments:** Pursuant to A.R.S. § 15-902.03, after the end of the fiscal year, ADE shall recalculate the average daily membership (“ADM”), finalize state aid calculations and make any necessary adjustments (“Recalculation and Finalization”). The Charter Holder agrees that ADE may withhold, pending its Recalculation and Finalization, the Charter Holder’s final payment for FY24 in order to ensure timely repayment of funds, if necessary. Upon completion of its Recalculation and Finalization, ADE will take the following actions:

a. If the Charter Holder has previously received any overpayment:

i. ADE will apply the funds withheld from the Charter Holder’s last payment for FY24 to the reimbursement of any and all overpayments.

ii. If the amount withheld from the Charter Holder’s last payment for FY24 does not fully reimburse ADE for any and all overpayments, ADE will notify the Charter Holder of the outstanding balance due. Within 30 days of receipt of such notice from ADE, the Charter Holder shall pay ADE all outstanding amounts.

b. If the Charter Holder has previously received any underpayments:

- i. ADE will release the funds withheld from the Charter Holder's last payment for FY24 to the Charter Holder.
  - ii. ADE will remit any additional payments to the Charter Holder.
- c. If no adjustments are needed to the state aid calculations:
- i. ADE will release the funds withheld from the Charter Holder's last payment for FY24 to the Charter Holder.
- d. If the Charter Holder disputes ADE's Recalculation and Finalization, it shall notify ADE within five business days of receiving notification of the Recalculation and Finalization. Such notice shall be in writing and set forth the basis for the dispute.
- i. Upon final resolution of any dispute, ADE and the Charter Holder will release funds and/or submit payment or reimbursement, as applicable. The terms for the release, payment or reimbursement of funds are set forth in Items a through c above.
- e. If the Charter Holder fails to remit any and all amounts due, ADE may refer the matter to its collection agency.

**11. Classroom Site Funds:** The Charter Holder is permitted to receive Classroom Site Funds for FY24 to which it is entitled under the provisions of Arizona law, but no more. The Charter Holder shall expend the Classroom Site Funds in a manner consistent with the intent as specified in A.R.S. § 15-977. The Charter Holder shall refund any overpayment of Classroom Site Funds in the amount determined by and in the manner directed by ADE.

**12. Grants:** The Charter Holder shall submit any outstanding grant reports and shall refund any outstanding grant monies or allocation of education funds in the amount determined by and in the manner directed by ADE.

**13. Instructional Improvement Funds:** The Charter Holder is permitted to receive Instructional Improvement Funds for FY24 to which it is entitled under the provision of Arizona law, but no more. The Charter Holder shall expend the Instructional Improvement Funds in a manner consistent with the intent as specified in A.R.S. § 15-979.

**14. Third-Party Beneficiary:** The Charter Holder and the Board acknowledge and agree that ADE is an intended third-party beneficiary to this Agreement and that the Superintendent of Public Instruction shall have the right to directly enforce any and all terms related to the rights vested in ADE hereunder and pursuant to law, as if it were a party hereto.

**15. Charter Holder and ADE Statutory-Regulatory Rights:** Nothing in this Agreement is intended to prevent ADE or the Charter Holder from exercising their statutory and regulatory rights to contest or collect amounts due by either the Charter Holder or ADE.

#### **GENERAL AGREEMENT TERMS**

**16. Entire Agreement:** This Agreement constitutes the entire agreement between the Parties with respect to the surrender and termination of the Charter. This Agreement may not be modified or amended except by written instrument, approved by each Party.

**17. Severability:** Should any provision of this Agreement be held invalid or unenforceable, such illegality or unenforceability shall not invalidate the whole of this Agreement. In such an event, the Agreement shall be construed as if it did not contain the illegal provision, and the rights and obligations of the Parties shall be construed and enforced accordingly.

**18. Binding Action:** This Agreement is binding on the Charter Holder upon its approval by the Charter Holder's governing board at a public meeting by the number of votes necessary to pass the measure. This Agreement is binding on the Board upon its execution by the Board's president.

**19. Execution of Agreement:** This Agreement may be executed in one or more counterparts, each of which is equally admissible in evidence and each of which shall fully bind each Party who has executed it. Each party agrees to promptly deliver an executed copy of this Agreement to the other Party.

**20. Authorized Representatives:** Each person executing this Agreement on behalf of the Parties hereby represents and guarantees that they have been authorized to do so, on behalf of themselves and the entity they represent.

**21. Inurement:** This Agreement is binding upon and inures to the benefit of the Parties and their respective successors and assignees.

**22. Enforcement:** If the Charter Holder fails to act in accordance with the terms of this Agreement, the Board may seek to legally enforce all rights and responsibilities set forth in this Agreement and may seek attorney fees, costs and other such remedies as permitted by law.

**23. Other Actions:** This Agreement does not limit other actions the Board may take under the law for facts other than those that form the basis of this Agreement.

**24. Appeal:** The Charter Holder waives any further right of appeal related to the terms and conditions of this Agreement.

**25. Attorney Consultation and Fees and Costs:** Both Parties enter into this Agreement of their own free will and judgment and acknowledge that they have the right to consult with legal counsel prior to entering into this Agreement. Each Party shall be responsible for its own attorneys' fees and costs, if any, in this matter.

**26. Governing Law and Venue:** This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona. Venue for any action to enforce this Agreement shall be in Maricopa County, Arizona.



**ARIZONA STATE BOARD FOR CHARTER SCHOOL**

\_\_\_\_\_

By: Hans Dieter-Klose, President

Date: \_\_\_\_\_

**Pima County**

\_\_\_\_\_

By: Andrew Flagg, Rhonda Pina, or Daphanie Conner  
Charter Representatives, Pima County

Date: \_\_\_\_\_

Physical Address:  
1700 W. Washington St., Suite 304  
Phoenix AZ 85007  
Phoenix: (602) 364-3080



Mailing Address:  
1802 W Jackson St # 110,  
Phoenix, AZ 85007

## Custodian of Records Attestation Form

Prior to delivering the student records to the Arizona State Board for Charter School (the "Board"), Pima County, shall organize all records as described below:

- All records shall be organized alphabetically in lidded banker boxes or on a suitable electronic storage device.
  - Records should not be organized by cohort, grade level, withdrawal date, etc.
- Included upon delivery should be an alphabetical inventory list of all student files contained in the boxes or electronic storage device.
  - The inventory list shall include the full name and last completed grade level of each student whose records are contained in the box or electronic storage device.

If the files delivered or the inventory list provided to the Board do not meet the requirements as outlined above, the Board may require the Charter Holder to retain custody of the records until such requirements are met.

**By Acknowledging and signing this document, the Charter Holder Agrees and attests to the following:**

1. The Charter Holder retains all responsibility and liability for the maintenance of all student records prior to the Board's receipt and acceptance of such records.
2. The Charter Holder shall be responsible and liable for any and all student documents and/or records that it fails to transmit to the board and any and all claims relating to or arising therefrom.
3. The Charter Holder retains all responsibility for and cost of transporting all student records to the Board.
4. The Charter Holder is, herewith, delivering to the Board any and all student records in its possession.
5. Each student file delivered to the Board contains all applicable documents and/or records as listed in the Arizona State Library, Archives and Public Records, General Records Retention Schedule for School Districts and Charter Schools, Student Records, Schedule Number GS-1074 Rev 1 ("Arizona Records Retention Schedule").

**By acknowledging and signing this document, the Board agrees and attests as follows:**

- A. From the date of its acceptance, the Board shall become the custodian of any and all student records delivered by the Charter Holder and assumes any and all responsibility and liability for such records from the date forward.
- B. The Board has reviewed the inventory list of student files as provided by the Charter Holder and acknowledges that it is receipt of all student files as presented and contained in the inventory list attached to this attestation. The Board does not attest that each student file contains all documents applicable to the student and required to be retained pursuant to the Arizona Records Retention Schedule.

**Method of Storage of Student Records:**  Bankers Boxes (QTY: )  Electronic Storage Device (QTY: )  
Select all the apply

\_\_\_\_\_  
Signature of Charter Holder Representatives

\_\_\_\_\_  
Signature of Charter Board Representatives

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date