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**AGENDA ITEM:** Surrender Agreement – PS Charter Schools, Inc.

**Issue**

PS Charter Schools, Inc. has submitted a Voluntary Surrender and Charter Termination Agreement (“Surrender Agreement”).

**Background**

PS Charter Schools, Inc. operates Pieceful Solutions Charter School serving grades K through 5. On May 23, 2017, the charter holder notified Board staff of its intent to close the school at the end of the 2016-2017 school year due to difficulties in administering within the charter system the services the school was intended to provide. PS Charter Schools, Inc.’s fiscal year 2017 average daily membership is 34.534.

A copy of the proposed terms of the Surrender Agreement is included in Appendix A.

**Board Option**

The Board may adopt the terms of the Surrender Agreement. Staff recommends the following language for consideration: I move that the Board adopt the Voluntary Surrender and Charter Termination Agreement for PS Charter Schools, Inc.

## Appendix A

## **VOLUNTARY SURRENDER AND CHARTER TERMINATION AGREEMENT**

This Voluntary Surrender and Charter Termination Agreement (“Agreement”) is made by and between PS Charter Schools, Inc. (“Charter Operator”), a nonprofit corporation organized under the laws of the state of Arizona, and the Arizona State Board for Charter Schools (“Board”), collectively referred to herein as the “Parties”.

### **RECITALS**

1. The Charter Operator operates Pieceful Solutions Charter School (“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”) executed on February 5, 2014 between the Charter Operator and the Board.
3. Kami Cothrun is the Charter Representative and person authorized to execute documents on behalf of the Charter Operator.
4. On May 23, 2017, the Charter Operator notified the Board of its intent to close the School at the end of the 2016-2017 school year due to difficulties in administering within the charter system the services the School was intended to provide.

### **AGREEMENT**

The Parties agree as follows:

1. The Charter Operator voluntarily tenders and surrenders the Charter to its sponsor, the Board, with the intent to voluntarily terminate its Charter effective 11:59 p.m. on June 30, 2017 for the purpose of further performance.
2. The Board accepts the surrender of the Charter for the operation of the School.
3. The Charter between the Charter Operator and the Board for the operation of the

School is terminated effective 11:59 p.m. on June 30, 2017 for the purpose of further performance.

4. 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 as of 11:59 p.m. on June 30, 2017 upon its approval and execution by the authorized representatives of the Charter Operator and the Board.

5. If the Board rejects this Agreement or any part of it, then this Agreement is null and void, and not binding on the Charter Operator or the Board.

6. By June 15, 2017, the Charter Operator shall identify and notify the Board of the custodian of all student records of the School. The notification shall include the physical address of the location of the records and the email address and phone number that should be used for requesting student 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.

7. The Charter Operator will submit all requisite student level data for its receipt of state equalization funding for the 2016-2017 school year to the Arizona Department of Education ("Department") through the Arizona Education Data Standards ("AzEDS") system in the manner directed by the Department.

8. The Charter Operator is permitted to receive state equalization assistance funds for the 2016-2017 school year to which it is entitled under the school funding formula provided in Arizona law, but no more.

9. The Charter Operator shall refund any overpayment of state equalization assistance funds in the amount determined by the Department in the manner directed by the Department.

10. The Charter Operator is permitted to receive Classroom Site Funds for the 2016-2017

school year to which it is entitled under the provisions of Arizona law, but no more. The Charter Operator shall expend the Classroom Site Funds in a manner consistent with the intent as specified in A.R.S. § 15-977.

11. The Charter Operator shall refund any overpayment of Classroom Site Funds in the amount determined by the Department in the manner directed by the Department.

12. The Charter Operator shall submit any outstanding grant reports and shall refund any outstanding grant monies or allocation of education funds in the amount determined by the Department in the manner directed by the Department.

13. The Charter Operator is permitted to receive Instructional Improvement Funds for the 2016-2017 school year to which it is entitled under the provisions of Arizona law, but no more. The Charter Operator shall expend the Instructional Improvement Funds in a manner consistent with the intent as specified in A.R.S. § 15-979.

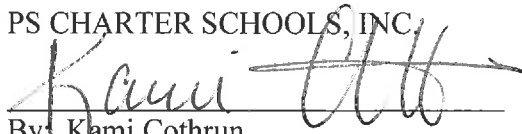
14. Nothing in this Agreement is intended to prevent the Charter Operator from exercising its rights under statutes or regulations to contest amounts determined by the Department to be owed by the Charter Operator.

15. The Charter Operator understands that it has the legal right to consult with an attorney prior to entering into this Agreement.

16. The Parties shall be responsible for their own attorneys' fees and costs in this matter.

ARIZONA STATE BOARD FOR CHARTER SCHOOLS

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By: Kathy Senseman  
President, Arizona State Board for Charter Schools  
Date: \_\_\_\_\_

PS CHARTER SCHOOLS, INC.  
  
\_\_\_\_\_  
By: Kami Cothrun  
Charter Representative, PS Charter Schools, Inc.  
Date: 5/24/17

COPY emailed this  
\_\_\_\_\_ day of \_\_\_\_\_, 2017 to:

Kami Cothrun  
PS Charter Schools, Inc.  
[kami.cothrun@piecefulsolutions.com](mailto:kami.cothrun@piecefulsolutions.com)

By \_\_\_\_\_