

State of Arizona
Senate
Forty-ninth Legislature
Second Regular Session
2010

SENATE BILL 1286

AN ACT

AMENDING SECTIONS 15-241 AND 15-241.01, ARIZONA REVISED STATUTES; RELATING TO
THE DEPARTMENT OF EDUCATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-241, Arizona Revised Statutes, is amended to
3 read:

4 15-241. School and school district accountability; failing
5 schools tutoring fund; classification label for
6 school districts and charter school operators

7 A. The department of education shall compile an annual achievement
8 profile for each public school AND SCHOOL DISTRICT.

9 B. Each school AND SCHOOL DISTRICT shall submit to the department any
10 data that is required and requested and that is necessary to compile the
11 achievement profile. A school OR SCHOOL DISTRICT that fails to submit the
12 information that is necessary is not eligible to receive monies from the
13 classroom site fund established by section 15-977.

14 C. The department shall establish a baseline achievement profile for
15 each school ~~by October 15, 2001~~ AND SCHOOL DISTRICT. The baseline
16 achievement profile shall be used to determine a standard measurement of
17 acceptable academic progress for each school AND SCHOOL DISTRICT and a school
18 AND SCHOOL DISTRICT classification pursuant to subsection H of this section.
19 Any disclosure of educational records compiled by the department of education
20 pursuant to this section shall comply with the family educational and privacy
21 rights act of 1974 (20 United States Code section 1232g).

22 D. The achievement profile for schools AND SCHOOL DISTRICTS that offer
23 instruction in kindergarten programs and grades one through eight, or any
24 combination of those programs or grades, shall include the following school
25 academic performance indicators:

26 1. The Arizona measure of academic progress. The department shall
27 compute the extent of academic progress made by the pupils in each school AND
28 SCHOOL DISTRICT during the course of each year.

29 2. The Arizona instrument to measure standards test. The department
30 shall compute the percentage of pupils who meet or exceed the standard on the
31 Arizona instrument to measure standards test, as prescribed by the state
32 board of education. The superintendent of public instruction and the
33 department may calculate academic gain on the Arizona instrument to measure
34 standards test according to each of the school classifications prescribed in
35 subsection G of this section on a statewide basis, for each school district
36 in this state and for each school by determining the average scale scores for
37 students in the current academic year as compared to the average scale scores
38 for the previous academic year for the same students.

39 3. The results of English language learners tests administered
40 pursuant to section 15-756, subsection B, section 15-756.05 and section
41 15-756.06.

42 E. The achievement profile for schools AND SCHOOL DISTRICTS that offer
43 instruction in grades nine through twelve, or any combination of those
44 grades, shall include the following school academic performance indicators:

1 1. THE ARIZONA MEASURE OF ACADEMIC PROGRESS. THE DEPARTMENT SHALL
2 COMPUTE THE EXTENT OF ACADEMIC PROGRESS MADE BY THE PUPILS AT EACH SCHOOL.

3 ~~1.~~ 2. The Arizona instrument to measure standards test. The
4 department shall compute the percentage of pupils pursuant to subsection G of
5 this section who meet or exceed the standard on the Arizona instrument to
6 measure standards test, as prescribed by the state board of education. The
7 superintendent of public instruction and the department may calculate
8 academic gain on the Arizona instrument to measure standards test according
9 to each of the school classifications prescribed in subsection G of this
10 section on a statewide basis, for each school district in this state and for
11 each school by determining the average scale scores for students in the
12 current academic year as compared to the average scale scores for the
13 previous academic year for the same students.

14 ~~2.~~ 3. The annual dropout rate.

15 ~~3.~~ 4. The annual graduation rate.

16 ~~4.~~ 5. The results of English language learners tests administered
17 pursuant to section 15-756, subsection B, section 15-756.05 and section
18 15-756.06.

19 F. Schools AND SCHOOL DISTRICTS that offer instruction in all or a
20 combination of the grades specified in subsections D and E of this section
21 shall include a single achievement profile for that school AND SCHOOL
22 DISTRICT that includes the school academic performance indicators specified
23 in subsections D and E of this section.

24 G. Subject to final adoption by the state board of education, the
25 department shall determine the criteria for each school AND SCHOOL DISTRICT
26 classification using a research based methodology. The methodology shall
27 include the performance of pupils at all achievement levels, account for
28 pupil mobility, account for the distribution of pupil achievement at each
29 school AND SCHOOL DISTRICT and include longitudinal indicators of academic
30 performance. FIFTY PER CENT OF THE SCHOOL AND SCHOOL DISTRICT CLASSIFICATION
31 DETERMINATION SHALL CONSIST OF ACADEMIC PERFORMANCE MEASUREMENTS. FIFTY PER
32 CENT OF THE ACADEMIC PERFORMANCE MEASUREMENT SHALL CONSIST OF A MEASUREMENT
33 OF ACADEMIC GAIN FOR ALL PUPILS ENROLLED AT THE SCHOOL OR SCHOOL DISTRICT AND
34 FIFTY PER CENT OF THE ACADEMIC PERFORMANCE MEASUREMENTS SHALL CONSIST OF A
35 MEASUREMENT OF THE TWENTY-FIVE PER CENT OF PUPILS WITH THE LOWEST ACADEMIC
36 PERFORMANCE MEASUREMENT ENROLLED AT THE SCHOOL OR SCHOOL DISTRICT. For the
37 purposes of this subsection, "research based methodology" means the
38 systematic and objective application of statistical and quantitative research
39 principles to determine a standard measurement of acceptable academic
40 progress for each school AND SCHOOL DISTRICT.

41 H. The achievement profile shall be used to determine a school AND
42 SCHOOL DISTRICT classification that USES A LETTER GRADE SYSTEM AS FOLLOWS
43 ~~designates each school as one of the following:~~

44 ~~1. An excelling school.~~

1 ~~2. A highly performing school.~~
2 ~~3. A performing school.~~
3 ~~4. An underperforming school.~~
4 ~~5. A school failing to meet academic standards.~~
5 1. A SCHOOL OR SCHOOL DISTRICT ASSIGNED A LETTER GRADE OF A SHALL
6 DEMONSTRATE AN EXCELLENT LEVEL OF PERFORMANCE.
7 2. A SCHOOL OR SCHOOL DISTRICT ASSIGNED A LETTER GRADE OF B SHALL
8 DEMONSTRATE AN ABOVE AVERAGE LEVEL OF PERFORMANCE.
9 3. A SCHOOL OR SCHOOL DISTRICT ASSIGNED A LETTER GRADE OF C SHALL
10 DEMONSTRATE AN AVERAGE LEVEL OF PERFORMANCE.
11 4. A SCHOOL OR SCHOOL DISTRICT ASSIGNED A LETTER GRADE OF D SHALL
12 DEMONSTRATE A BELOW AVERAGE LEVEL OF PERFORMANCE.
13 5. A SCHOOL OR SCHOOL DISTRICT ASSIGNED A LETTER GRADE OF F SHALL
14 DEMONSTRATE A FAILING LEVEL OF PERFORMANCE.
15 I. The classification for each school and the criteria used to
16 determine classification pursuant to subsection G of this section shall be
17 included on the school report card prescribed in section 15-746.
18 J. Subject to final adoption by the state board of education, the
19 department of education shall develop a parallel achievement profile for
20 accommodation schools, alternative schools as defined by the state board of
21 education and extremely small schools as defined by the state board of
22 education for the purposes of this section.
23 K. If a school is ~~designated as an underperforming school~~ ASSIGNED A
24 LETTER GRADE OF D, within ninety days after receiving notice of the
25 designation, the governing board shall develop an improvement plan for the
26 school, submit a copy of the plan to the superintendent of public instruction
27 AND THE COUNTY EDUCATIONAL SERVICE AGENCY and supervise the implementation of
28 the plan. The plan shall include necessary components as identified by the
29 state board of education. Within thirty days after submitting the
30 improvement plan to the superintendent of public instruction AND THE COUNTY
31 EDUCATIONAL SERVICE AGENCY, the governing board shall hold a special public
32 meeting in each school that has been ~~designated as an underperforming school~~
33 ASSIGNED A LETTER GRADE OF D and shall present the respective improvement
34 plans that have been developed for each school. The school district
35 governing board, within thirty days of receiving notice of the designation,
36 shall provide written notification of the classification to each residence
37 within the attendance area of the school. The notice shall explain the
38 improvement plan process and provide information regarding the public meeting
39 required by this subsection.
40 L. A school that has not submitted an improvement plan pursuant to
41 subsection K of this section is not eligible to receive monies from the
42 classroom site fund established by section 15-977 for every day that a plan
43 has not been received by the superintendent of public instruction within the
44 time specified in subsection K of this section plus an additional ninety

1 days. The state board of education shall require the superintendent of the
2 school district to testify before the board and explain the reasons that an
3 improvement plan for that school has not been submitted.

4 M. If a charter school is ~~designated as an underperforming school~~
5 ASSIGNED A LETTER GRADE OF D, within thirty days the school shall notify the
6 parents of the students attending the school of the classification. The
7 notice shall explain the improvement plan process and provide information
8 regarding the public meeting required by this subsection. Within ninety days
9 of receiving the classification, the charter holder shall present an
10 improvement plan to the charter sponsor at a public meeting and submit a copy
11 of the plan to the superintendent of public instruction. The improvement
12 plan shall include necessary components as identified by the state board of
13 education. For every day that an improvement plan is not received by the
14 superintendent of public instruction AND THE COUNTY EDUCATIONAL SERVICE
15 AGENCY, the school is not eligible to receive monies from the classroom site
16 fund established by section 15-977 for every day that a plan has not been
17 received by the superintendent of public instruction within the time
18 specified in subsection K of this section plus an additional ninety days.
19 The charter holder shall appear before the sponsoring board and explain why
20 the improvement plan has not been submitted.

21 N. The department of education shall establish an appeals process, to
22 be approved by the state board of education, for a school to appeal data used
23 to determine the achievement profile of the school. The criteria established
24 shall be based on mitigating factors and may include a visit to the school
25 site by the department of education.

26 O. If a school ~~remains classified as an underperforming school~~ IS
27 ASSIGNED A LETTER GRADE OF D for a third consecutive year, the department of
28 education shall visit the school site to confirm the classification data and
29 to review the implementation of the school's improvement plan. The school
30 shall be ~~classified as failing to meet academic standards~~ ASSIGNED A LETTER
31 GRADE OF F unless an alternate ~~classification~~ LETTER GRADE is ~~made~~ ASSIGNED
32 after an appeal pursuant to subsection N of this section.

33 P. The school district governing board, within thirty days of
34 receiving notice of the school ~~failing to meet academic standards~~
35 ~~classification~~ BEING ASSIGNED A LETTER GRADE OF F, shall provide written
36 notification of the classification to each residence in the attendance area
37 of the school. The notice shall explain the improvement plan process and
38 provide information regarding the public meeting required by subsection S of
39 this section.

40 Q. The superintendent of public instruction IN COLLABORATION WITH THE
41 COUNTY EDUCATIONAL SERVICE AGENCY, based on need, shall assign a solutions
42 team to ~~an underperforming school~~ A SCHOOL ASSIGNED A LETTER GRADE OF D, a
43 school ~~failing to meet academic standards~~ ASSIGNED A LETTER GRADE OF F or any
44 other school pursuant to a mutual agreement between the department of

1 education and the school comprised of master teachers, fiscal analysts and
2 curriculum assessment experts who are certified by the state board of
3 education as Arizona academic standards technicians. The department of
4 education OR THE COUNTY EDUCATIONAL SERVICE AGENCY may hire or contract with
5 administrators, principals and teachers who have demonstrated experience with
6 the characteristics and situations in ~~an underperforming school or a school~~
7 ~~failing to meet academic standards~~ A SCHOOL ASSIGNED A LETTER GRADE OF D OR F
8 and may use these personnel as part of the solutions team. The department of
9 education shall work with staff at the school to assist in curricula
10 alignment and shall instruct teachers on how to increase pupil academic
11 progress, considering the school's achievement profile. The solutions team
12 shall consider the existing improvement plan to assess the need for changes
13 to curriculum, professional development and resource allocation and shall
14 present a statement of its findings to the school administrator and district
15 superintendent. Within forty-five days after the presentation of the
16 solutions team's statement of findings, the school district governing board,
17 in cooperation with each school within the school district that is ~~designated~~
18 ~~an underperforming school~~ ASSIGNED A LETTER GRADE OF D and its assigned
19 solutions team representative, shall develop and submit to the department of
20 education AND THE COUNTY EDUCATIONAL SERVICE AGENCY an action plan that
21 details the manner in which the school district will assist the school as the
22 school incorporates the findings of the solutions team into the improvement
23 plan. The department of education shall review the action plan and shall
24 either accept the action plan or return the action plan to the school
25 district for modification. If the school district does not submit an
26 approved action plan within forty-five days, the state board of education may
27 direct the superintendent of public instruction to withhold up to ten per
28 cent of state monies that the school district would otherwise be entitled to
29 receive each month until the plan is submitted to the department of education
30 AND THE COUNTY EDUCATIONAL SERVICE AGENCY, at which time those monies shall
31 be returned to the school district.

32 R. The parent or the guardian of the pupil may apply to the department
33 of education, in a manner determined by the department of education, for a
34 certificate of supplemental instruction from the failing schools tutoring
35 fund established by this section. Pupils attending a school ~~designated as an~~
36 ~~underperforming school or a school failing to meet academic standards~~
37 ASSIGNED A LETTER GRADE OF D OR F or a pupil who has failed to pass one or
38 more portions of the Arizona instrument to measure standards test in grades
39 eight through twelve in order to graduate from high school may select an
40 alternative tutoring program in academic standards from a provider that is
41 certified by the state board of education. To qualify, the provider must
42 state in writing a level of academic improvement for the pupil that includes
43 a timeline for improvement that is agreed to by the parent or guardian of the
44 pupil. The state board of education shall annually review academic

1 performance levels for providers certified pursuant to this subsection and
2 may remove a provider at a public hearing from an approved list of providers
3 if that provider fails to meet its stated level of academic improvement. The
4 state board of education shall determine the application guidelines and the
5 maximum value for each certificate of supplemental instruction. The state
6 board of education shall annually complete a market survey in order to
7 determine the maximum value for each certificate of supplemental instruction.
8 Nothing in this subsection shall be construed to require the state to provide
9 additional monies beyond the monies provided pursuant to section 42-5029,
10 subsection E, paragraph 7.

11 S. Within sixty days of receiving notification of ~~designation as~~ a
12 school ~~failing to meet academic standards~~ BEING ASSIGNED A LETTER GRADE OF F,
13 the school district governing board shall evaluate needed changes to the
14 existing improvement plan for the school, consider recommendations from the
15 solutions team, submit a copy of the plan to the superintendent of public
16 instruction AND THE COUNTY EDUCATIONAL SERVICE AGENCY and supervise the
17 implementation of the plan. Within thirty days after submitting the
18 improvement plan to the superintendent of public instruction, the governing
19 board shall hold a public meeting in each school that has been ~~designated as~~
20 ~~a school failing to meet academic standards~~ ASSIGNED A LETTER GRADE OF F and
21 shall present the respective improvement plans that have been developed for
22 each school.

23 T. A school that has not submitted an improvement plan pursuant to
24 subsection S of this section is not eligible to receive monies from the
25 classroom site fund established by section 15-977 for every day that a plan
26 has not been received by the superintendent of public instruction within the
27 time specified in subsection S of this section plus an additional ninety
28 days. The state board of education shall require the superintendent of the
29 school district to testify before the board and explain the reasons that an
30 improvement plan for that school has not been submitted.

31 U. If a charter school is ~~designated as a school failing to meet~~
32 ~~academic standards~~ ASSIGNED A LETTER GRADE OF F, the department of education
33 shall immediately notify the charter school's sponsor. The charter school's
34 sponsor shall either take action to restore the charter school to acceptable
35 performance or revoke the charter school's charter. Within thirty days the
36 school shall notify the parents of the students attending the school of the
37 classification and of any pending public meetings to review the issue.

38 V. A school that has been ~~designated as a school failing to meet~~
39 ~~academic standards~~ ASSIGNED A LETTER GRADE OF F shall be evaluated by the
40 department of education to determine if the school failed to properly
41 implement its school improvement plan, align the curriculum with academic
42 standards, provide teacher training, prioritize the budget or implement other
43 proven strategies to improve academic performance. After visiting the school
44 site pursuant to subsection O of this section, the department of education

1 shall submit to the state board of education a recommendation to proceed
2 pursuant to subsections Q, R and S of this section or that the school be
3 subject to a public hearing to determine if the school failed to properly
4 implement its improvement plan and the reasons for the department's
5 recommendation.

6 W. If the department does recommend a public hearing, the state board
7 of education shall meet and may provide by a majority vote at the public
8 hearing for the continued operation of the school as allowed by this
9 subsection. The state board of education shall determine whether
10 governmental, nonprofit and private organizations may submit applications to
11 the state board to fully or partially manage the school. The state board's
12 determination shall include:

13 1. If and to what extent the local governing board may participate in
14 the operation of the school including personnel matters.

15 2. If and to what extent the state board of education shall
16 participate in the operation of the school.

17 3. Resource allocation pursuant to subsection Y of this section.

18 4. Provisions for the development and submittal of a school
19 improvement plan to be presented in a public meeting at the school.

20 5. A suggested time frame for the alternative operation of the school.

21 X. The state board shall periodically review the status of a school
22 that is operated by an organization other than the school district governing
23 board to determine whether the operation of the school should be returned to
24 the school district governing board. Before the state board makes a
25 determination, the state board or its designee shall meet with the school
26 district governing board or its designee to determine the time frame,
27 operational considerations and the appropriate continuation of existing
28 improvements that are necessary to assure a smooth transition of authority
29 from the other organization back to the school district governing board.

30 Y. If an alternative operation plan is provided pursuant to subsection
31 W of this section, the state board of education shall pay for the operation
32 of the school and shall adjust the school district's student count pursuant
33 to section 15-902, soft capital allocation pursuant to section 15-962,
34 capital outlay revenue limit pursuant to section 15-961, base support level
35 pursuant to section 15-943, monies distributed from the classroom site fund
36 established by section 15-977 and transportation support level pursuant to
37 section 15-945 to accurately reflect any reduction in district services that
38 are no longer provided to that school by the district. The state board of
39 education may modify the school district's revenue control limit, the
40 district support level and the general budget limit calculated pursuant to
41 section 15-947 by an amount that corresponds to this reduction in services.
42 The state board of education shall retain the portion of state aid that would
43 otherwise be due the school district for the school and shall distribute that

1 portion of state aid directly to the organization that contracts with the
2 state board of education to operate the school.

3 Z. If the state board of education determines that a charter school
4 failed to properly implement its improvement plan, the sponsor of the charter
5 school shall revoke the charter school's charter.

6 AA. If there are more than two schools in a district and more than
7 one-half, or in any case more than five, of the schools in the district are
8 ~~designated as schools failing to meet academic standards~~ ASSIGNED A LETTER
9 GRADE OF F for more than two consecutive years, in the next election of
10 members of the governing board the election ballot shall contain the
11 following statement immediately above the listing of governing board
12 candidates:

13 Within the last five years, (number of schools) schools in the
14 _____ school district have been designated as "schools
15 failing to meet academic standards" by the superintendent of
16 public instruction.

17 BB. At least twice each year the department of education shall publish
18 in a newspaper of general circulation in each county of this state a list of
19 schools that are ~~designated as schools failing to meet academic standards~~
20 ASSIGNED A LETTER GRADE OF F.

21 CC. The failing schools tutoring fund is established consisting of
22 monies collected pursuant to section 42-5029, subsection E as designated for
23 this purpose. The department of education shall administer the fund. The
24 department of education may use monies from the fund to purchase materials
25 designed to assist students to meet the Arizona academic standards and to
26 achieve a passing score on the Arizona instrument to measure standards test
27 in order to graduate from high school.

28 DD. The department of education may develop a classification label for
29 school districts and charter school operators. If the department of
30 education develops a classification label for school districts and charter
31 school operators, the classification label may be developed from the
32 following components:

- 33 1. Measures of academic progress.
- 34 2. Pupil assessment data.
- 35 3. The attendance rates and graduation rates of pupils who are
36 educated in that charter school operator's charter schools or in that school
37 district's schools.
- 38 4. The percentage of the parents of pupils enrolled in that charter
39 school operator's charter schools or in that school district's schools that
40 categorizes the quality of their child's education as excellent on a parental
41 rating of school quality.

1 Sec. 2. Section 15-241.01, Arizona Revised Statutes, is amended to
2 read:

3 15-241.01. School accountability; alternative operation plans

4 A. If a school district has six or more schools and at least one-half
5 of the schools in the district are ~~designated as underperforming or failing~~
6 ~~to meet the academic standards~~ ASSIGNED A LETTER GRADE OF D OR F pursuant to
7 this section and at least one school is ~~designated as failing to meet~~
8 ~~academic standards~~ ASSIGNED A LETTER GRADE OF F, the department of education
9 may submit to the state board of education a recommendation for a public
10 hearing to determine if the school district should be subject to an
11 alternative operation plan and the reasons for that recommendation. When
12 considering whether to recommend a public hearing pursuant to this
13 subsection, the department shall consider at least the following:

14 1. The likelihood that continued school-based interventions will be
15 successful.

16 2. The extent to which the school district administrators and the
17 school district governing board impacted the ~~underperforming and failing to~~
18 ~~meet academic standards designations of~~ ASSIGNMENT OF THE LETTER GRADES OF D
19 AND F TO the district's schools.

20 3. Whether those schools ~~designated as underperforming or failing to~~
21 ~~meet academic standards~~ ASSIGNED A LETTER GRADE OF D OR F have demonstrated
22 reasonable academic growth as determined by the measure of academic progress
23 established pursuant to this section.

24 B. If the department of education recommends a public hearing pursuant
25 to subsection A of this section, the state board of education shall meet and
26 may provide by a majority vote of the entire board for the development and
27 implementation of an alternative operation plan as allowed by this section.
28 When determining whether to place a school district under an alternative
29 operation plan, the state board shall consider at least the following:

30 1. The likelihood that continued school-based interventions will be
31 successful.

32 2. The extent to which the school district administrators and the
33 school district governing board impacted the ~~underperforming and failing to~~
34 ~~meet academic standards designations of~~ ASSIGNMENT OF THE LETTER GRADES OF D AND
35 F TO the district's schools.

36 3. Whether those schools ~~designated as underperforming or failing to~~
37 ~~meet academic standards~~ ASSIGNED A LETTER GRADE OF D OR F have demonstrated
38 reasonable academic growth as determined by the measure of academic progress
39 established pursuant to this section.

40 C. Before a hearing is held pursuant to subsection B of this section,
41 the department of education shall recommend to the state board of education
42 at least three governmental, nonprofit or private organizations or persons to
43 manage the school district's affairs. If the state board approves the
44 implementation of an alternative operation plan, it shall make an appointment

1 from the list provided by the department of education. On making this
2 appointment the state board shall immediately determine which powers
3 enumerated in subsection D of this section shall be temporarily granted to
4 the appointed organization or person. The authority granted pursuant to this
5 subsection shall be effective until the state board reviews the alternative
6 operation plan as described in subsection E of this section.

7 D. An organization or person appointed pursuant to subsection C of
8 this section shall begin a full review and investigation of the school
9 district's educational affairs and shall submit to the state board of
10 education a detailed report listing the findings of that investigation. This
11 report shall include an alternative operation plan that details how the
12 school district will raise the level of academic achievement so that all of
13 the schools in the school district are ~~designated as performing schools,
14 highly performing schools or excelling schools~~ ASSIGNED GRADE LETTERS OF A, B
15 OR C pursuant to this section. The plan shall include a proposed timeline
16 for improving academic achievement. The alternative operation plan shall
17 also include a timeline and details concerning how the organization or person
18 will transition the administration of the school district back to the locally
19 elected governing board. The organization or person shall submit the report
20 within one hundred twenty days from the date the organization or person was
21 appointed by the state board. If approved by the state board, the
22 alternative operation plan may authorize the appointed organization or person
23 to do any of the following:

24 1. Override any decisions of the school district governing board or
25 the school district superintendent, or both, concerning the management and
26 operation of the school district, and initiate and make decisions concerning
27 the management and operation of the school district, including reopening the
28 school as a charter school.

29 2. Hire personnel, terminate personnel and cancel existing employment
30 contracts, including the district superintendent, to the extent permitted by
31 law. The appointed organization or person may refuse to reemploy any
32 certificated teacher who has not been employed by the school district for
33 more than the major portion of three consecutive school years as provided in
34 section 15-536.

35 3. Attend any meetings of the school district governing board and
36 administrative staff.

37 4. Supervise the activities of the school district's staff, including
38 reassigning the duties and responsibilities of personnel in a manner that, as
39 determined by the appointed organization or person, best suits the needs of
40 the school district.

41 5. To the extent permitted by law, cancel or renegotiate any contract,
42 other than contracts of certificated teachers who have been employed by the
43 school district in the capacity of a certificated teacher for more than one
44 year, to which the governing board or the school district is a party if the

1 cancellation or renegotiation of the contract will produce needed economies
2 in the operation of the district's schools.

3 E. The state board of education shall periodically review the status
4 of a school district that is operating under an alternative operation plan
5 pursuant to this section to determine whether the operations of the school
6 district should be returned to the school district governing board. Before
7 the state board makes a determination to terminate an alternative operation
8 plan, the state board or its designee shall meet with the school district
9 governing board or its designee to establish an appropriate time frame and
10 address any additional operational considerations that are necessary to
11 ensure a smooth transition of authority from the appointed organization or
12 person back to the school district governing board. When determining whether
13 to terminate an alternative operation plan, the state board shall consider
14 whether the district's schools have made significant academic gains as
15 determined by individual school achievement profiles established pursuant to
16 this section.

17 F. If at any time the state board determines that the progress of an
18 organization or person who is appointed pursuant to this subsection or
19 subsection C of this section is insufficient, the state board may remove that
20 organization or person and make an alternative appointment. All authority
21 granted pursuant to the approved alternative operation plan shall be
22 transferred to the newly appointed organization or person. The state board
23 may require the newly appointed organization or person to prepare a revised
24 alternative operation plan as described in subsection D of this section.

25 G. All expenses and costs of an organization or person appointed by
26 the state board pursuant to subsection C or F of this section shall be paid
27 by the school district. The state board of education shall review the
28 expenses and costs at least twice each calendar year to ensure that the fees
29 are reasonable and appropriate.

30 H. The operation of a school district by an organization or person
31 appointed pursuant to this section shall not interfere with the election of
32 school district governing board members.

33 I. The school district shall indemnify the organization or person
34 appointed pursuant to subsection C or F of this section if that organization
35 or person is made or threatened to be made a party to any litigation by
36 reason of the organization's or person's status under this section if the
37 organization or person acted in good faith and in a manner the organization
38 or person believed to be lawful and in the best interest of the school
39 district.

40 J. All information received and records or reports kept by the state
41 board of education during an investigation resulting from a complaint against
42 an organization or person appointed pursuant to subsection C or F of this
43 section are confidential and are not public records.

1 Sec. 3. Existing school achievement profiles: phase-out

2 Notwithstanding sections 15-241 and 15-241.01, Arizona Revised
3 Statutes, as amended by this act, for the remainder of the academic year in
4 which the effective date of this act occurs and the next academic year after
5 the effective date of this act, each school district and charter school shall
6 be designated both of the following:

7 1. An achievement profile that corresponds to the classification that
8 the school would have otherwise been designated under the laws that were in
9 effect immediately before the effective date of this act.

10 2. An achievement profile that corresponds to the grade letter
11 assigned to that school under the laws that are in effect on the effective
12 date of this act.

13 Sec. 4. Effective date

14 Sections 15-241 and 15-241.01, Arizona Revised Statutes, as amended by
15 this act, are effective from and after August 31, 2011.