AN ACT

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

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

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

15-241.01. School accountability; alternative operation plans; turnaround specialists

A. If a school district has six or more schools and at least one-half of the schools in the district are assigned a letter grade of D or F pursuant to this section and at least one school is assigned a letter grade of F, the department of education may submit to the state board of education a recommendation for a public hearing to determine whether the school district should be subject to an alternative operation plan that includes the appointment of a turnaround specialist and the reasons for that recommendation. When considering whether to recommend a public hearing pursuant to this subsection, the department shall consider at least the following:

1. The likelihood that continued school-based interventions will be successful.
2. The extent to which the school district administrators and the school district governing board impacted the assignment of the letter grades of D and F to the district's schools.
3. Whether those schools assigned a letter grade of D or F have demonstrated reasonable academic growth as determined by the measure of academic progress established pursuant to this section.

B. If the department of education recommends a public hearing pursuant to subsection A of this section, the state board of education shall meet and may provide by a majority vote of the entire board for the development and implementation of an alternative operation plan that includes the appointment of a turnaround specialist. When determining whether to place a school district under an alternative operation plan, the state board shall consider at least the following:

1. The likelihood that continued school-based interventions will be successful.
2. The extent to which the school district administrators and the school district governing board impacted the assignment of the letter grades D and F to the district's schools.
3. Whether those schools assigned a letter grade of D or F have demonstrated reasonable academic growth as determined by the measure of academic progress established pursuant to this section.

C. Before a public hearing is held pursuant to subsection B of this section, the department of education shall recommend to the state board of education at least three governmental, nonprofit or private organizations or persons to manage the school district's affairs and serve as a turnaround specialist. If the state board approves the implementation of an alternative operation plan, it shall make an appointment.
TURNAROUND SPECIALIST from the list provided by the department of education. On making this appointment the state board shall immediately determine which powers enumerated in subsection D of this section will be temporarily granted to the appointed organization or person TURNAROUND SPECIALIST. The authority granted pursuant to this subsection shall be effective until the state board reviews the alternative operation plan as described in subsection E of this section.

D. An organization or person appointed as a TURNAROUND SPECIALIST pursuant to subsection C of this section shall begin a full review and investigation of the school district's educational affairs and shall submit to the state board of education a detailed report listing the findings of that investigation. This report shall include an alternative operation plan that details how the school district will raise the level of academic achievement so that all of the schools in the school district are assigned grade letters LETTER GRADES of A, B or C pursuant to this section. The plan shall include a proposed timeline for improving academic achievement. The alternative operation plan shall also include a timeline and details concerning how the organization or person TURNAROUND SPECIALIST will transition the administration of the school district back to the locally elected governing board. The organization or person TURNAROUND SPECIALIST shall submit the report within one hundred twenty days from the date the organization or person TURNAROUND SPECIALIST was appointed by the state board. If approved by the state board, the alternative operation plan may authorize the appointed organization or person TURNAROUND SPECIALIST to do any of the following:

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

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

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

4. Supervise the activities of the school district's staff, including reassigning the duties and responsibilities of personnel in a manner that, as determined by the appointed organization or person TURNAROUND SPECIALIST, best suits the needs of the school district.
5. To the extent permitted by law, cancel or renegotiate any contract, other than contracts of certificated teachers who have been employed by the school district in the capacity of a certificated teacher for more than one year, to which the governing board or the school district is a party if the cancellation or renegotiation of the contract will produce needed economies in the operation of the district's schools.

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

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

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

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

I. The school district shall indemnify the organization or person appointed as a Turnaround Specialist pursuant to subsection C or F of this section if that organization or person Turnaround Specialist is made or threatened to be made a party to any litigation by reason of the organization's or person's status under this section AND if the
organization or person TURNAROUND SPECIALIST acted in good faith and in a manner the organization or person TURNAROUND SPECIALIST believed to be lawful and in the best interest of the school district.

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