

ASU Charter Contract Revocation Policy

This charter contract revocation policy (this “Policy”) sets forth the criteria and procedure Arizona State University (“ASU”) shall use to terminate any Charter it has entered into with a Charter Holder. The Charter Holder agreed to be bound by the terms and conditions of this Policy by entering into the Charter with ASU. All capitalized terms used in this Policy, and not otherwise defined herein, shall have the meaning set forth in the Charter. Any use of the term “revoke” or “revocation” shall have the same meaning as “terminate” or “termination” as used in the Charter.

Section 1. Termination by ASU. ASU may terminate a Charter for-cause, as determined in the sole discretion of ASU, at any time. Cause means any of the following (the “Termination Provision”):

- a. Any breach of the Charter;
- b. Any violation of applicable State, Federal, or local law;
- c. Failure to meet any academic or operational performance expectation as measured by the Performance Framework; or
- d. As stated in the section of the Charter titled “Termination; Surrender.”

Section 2. Intent to Revoke. If ASU’s charter authorization director (the “Director”) determines, in the Director’s sole discretion, that evidence exists to substantiate an alleged violation of one or more causes stated in the Termination Provision (the “Allegations”), the Director shall notify the Charter Holder in writing of ASU’s intent to revoke the Charter and the reasons for doing so (the “Intent to Revoke”). The Intent to Revoke shall be sent to the Charter Holder pursuant to the section of the Charter titled “Notice” (the “Notice Provision”).

Section 3. Charter Holder’s Response. The Charter Holder shall respond in writing to the Intent to Revoke within thirty (30) calendar days of receipt (the “Response”). The Response shall include any documentation the Charter Holder believes will assist ASU in evaluating the Response. The Charter Holder may respond to the Intent to Revoke in the following ways:

- a. Admitting Allegations. If the Charter Holder does not contest the Allegation, it shall admit the Allegations in writing to ASU.
- b. Resolving the Allegation. If the Charter Holder does not contest the Allegation but is able to demonstrate a reasonable plan for resolving and preventing future occurrences of the Allegation, the Charter Holder shall provide ASU with (the “Materials”):
 - i. A written admission to the Allegation;
 - ii. An explanation of the Allegation’s cause or causes; and
 - iii. A reasonable plan and timeline for both remedying and preventing future occurrences of the Allegation.
- c. Refuting the Allegation. If the Charter Holder contests the Allegation, the Charter Holder shall provide ASU with evidence clearly refuting the Allegation.

ASU shall deem the Charter Holder's failure to submit a Response as set forth herein as the Charter Holder's admission to the Allegations.

Section 4. ASU's Review. The Director shall timely review a Response and, depending on the assertions made by the Charter Holder in its Response, the Director shall, in the Director's sole discretion, proceed in one (1) of the following ways:

- a. Response Admits Allegation. The Director shall submit any Response admitting to an Allegation to the ASU Board for its acknowledgement in a Hearing (as defined below).
- b. Response Attempts to Resolve Allegation. If the Materials provide for a reasonable plan that both resolves and prevents future occurrences of the Allegation, then the Director shall assign the Charter Holder a plan that includes ("Correction Plan"):
 - i. Identification of each Allegation;
 - ii. The evidence ASU will require to find that each Allegation is properly resolved and prevented; and
 - iii. The timeframe in which ASU requires the Correction Plan to be completed.

The Director shall withdraw the Intent to Revoke upon the Charter Holder's successful completion of the Correction Plan, as determined by the Director.

- c. Response Attempts to Refute Allegation. If the Charter Holder submits evidence to refute an Allegation, the Director shall review the evidence provided to determine whether it clearly refutes the Allegation. If, in the Director's sole discretion, the evidence clearly refutes the Allegation, then the Director shall accept the Response and withdraw the Intent to Revoke. However, if, in the Director's sole discretion, the evidence does not clearly refute the Allegation, the Director may either assign the Charter Holder a Correction Plan or submit the matter to the ASU Board for a Hearing (as defined below). If the Director submits the matter for a Hearing, the Director shall provide the ASU Board with the following:
 - i. A copy of the Response refuting the Allegation;
 - ii. A summary of the Director's findings; and
 - iii. A recommendation for ASU Board action.

If the Director or the ASU Board determines the Response refutes the Allegation, the Director shall notify the Charter Holder pursuant to the Notice Provision and ensure ASU's records reflect the determination.

Section 5. Revocation Hearing. If the Director determines, in her sole discretion, that any of the following have occurred, the Director shall initiate a Charter revocation hearing before the ASU Board ("Hearing"):

- a. The Charter Holder failed to properly respond to the Intent to Revoke;
- b. The Charter Holder's response admits an Allegation;

- c. The Charter Holder failed to provide evidence clearly refuting the Allegation;
- d. The Charter Holder failed to successfully complete the Correction Plan; or
- e. Immediate ASU Board action is necessary to protect the safety of students or to preserve public funds or property.

The Director shall send the Hearing notice to both the Charter Holder and the ASU Board pursuant to the Notice Provision. In the Hearing notice, the Director shall list all outstanding Allegations as well as indicate the reason(s) for calling the Hearing, as provided herein.

The ASU Board shall convene a Hearing within thirty (30) days of receiving the Hearing notice, unless immediate ASU Board action is necessary to protect the safety of students or to preserve public funds or property, in which case the ASU Board shall convene within five (5) business days of receiving a Hearing notice. The ASU Board shall hold the Hearing open to the public at a time and place as determined by the ASU Board.

Section 6. ASU Board's Decision. The ASU Board shall act by resolution approved by a majority (51%) of the ASU Board members. The ASU Board's decision is final and binding on all parties effective as of the date specified in the resolution adopted by the ASU Board. Any Charter Holder who has had its Charter revoked in any way shall comply with the charter school closure procedures, as adopted by ASU from time to time.