



**STATE PUBLIC CHARTER SCHOOL AUTHORITY**

**1749 North Stewart Street Suite 40  
Carson City, Nevada 89706-2543  
(775) 687 - 9174 • Fax: (775) 687 - 9113**

---

---

**BRIEFING MEMORANDUM**

---

---

**TO:** SPCSA Board  
**FROM:** Patrick Gavin  
**SUBJECT:** Agenda Item 9 —Nevada Connections Academy Graduation Rate Performance Improvement Plan  
**DATE:** July 29, 2016

---

Pursuant to [NRS 388A.330](#), as amended by Section 27 of [SB509](#) of the 2015 Legislative Session, a graduation rate below 60 percent is grounds for termination of a charter, or the revocation of a written charter, or the reconstitution of the governing body of a charter school.

Nevada Connections Academy (NCA) was approved by the State Board of Education in 2007 and was renewed by the Authority in 2013. It currently operates pursuant to a written charter. The written charter expires in 2019.

For each of the past five years, NCA’s graduation rate has been below 60 percent.

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Graduation Rate</b>	26.5%	36.08%	33.91%	37.19%	35.63%
<b>Rank in State</b>	99/106	98/110	100/111	110/117	110/117
<b>Position from Bottom</b>	8 <sup>th</sup> lowest in state	13 <sup>th</sup> lowest in the state	11 <sup>th</sup> lowest in the state	8 <sup>th</sup> lowest in the state	8 <sup>th</sup> lowest in the state
<b>Percentile Rank</b>	7 <sup>th</sup>	12 <sup>th</sup>	10 <sup>th</sup>	7 <sup>th</sup>	7 <sup>th</sup>

While the school saw a significant increase between 2011 and 2012 in its performance relative to the rest of the state, moving from the 7<sup>th</sup> percentile to the 12<sup>th</sup>, the school declined back to the 7<sup>th</sup> percentile in both 2014 and 2015. Moreover, a review of the first extended cohort data for the school, a 5<sup>th</sup> year graduation rate<sup>1</sup> for the class which was scheduled to graduate in 2013, indicates

---

<sup>1</sup> Extended cohort graduation rates require additional time and resources to validate and calculate. The Department of Education expects to release an official 5<sup>th</sup> year cohort graduation rate for those students who were scheduled to graduate in 2014 sometime in the fall of 2016.

that graduation rate of students who graduated within five years was somewhat higher than the 4 year rate: 38.04 percent. However, this graduation rate remains woefully short of the 60 percent threshold necessary for the school to meet the minimum target set forth in SB509.

Based on a review of [data](#) submitted to the Agency by the school, Nevada Connections Academy is ineligible for the alternative state performance framework authorized under [SB460](#) of the 2015 Legislative Session, as it has a 23.02 percent unduplicated count of [eligible students](#). That unduplicated count is well below the 75 percent minimum in such categories of students set forth in statute. Put simply, there is little difference in the observable characteristics—special education eligibility, over-age, under-credit status, adjudicated youth status, etc.—of students at NCA than at traditional public high schools across the state. Pursuant to statute, traditional public schools with graduation rates similar to NCA are eligible for inclusion in the Achievement School District. As a charter school, this graduation rate renders NCA eligible for authorizer intervention, including termination of its charter contract or reconstitution of its governing body.

Based on the school’s history of poor graduation rates, the Authority directed Agency staff to engage in discussions with the school regarding its plan for improvement. The school has made multiple presentations to the Authority since February 2016, including an extensive dialogue with members in May of this year. While the school drafted a thoughtful [plan](#) which was well received by the Authority in May, there was significant concern around the lack of measurable annual performance targets. Consequently, the school was directed to propose targets for review by Agency staff. As noted by Member Conaboy, “I think it is incumbent upon the schools to suggest the benchmarks and for the staff to sign off on them, and let’s have it in writing.”

Since the May meeting, Agency staff have had several calls with NCA regarding its improvement plan, including a particularly productive call on July 5. Key takeaways from that call included a reiteration of the importance of proposing measurable annual targets and the strong suggestion that the school determine what, if any, material changes to the At that time, the school indicated they were working on the requested changes and would be prepared to connect again with staff in the days leading up to the board meeting with their final document. The school scheduled a follow-up call for the afternoon of July 27. The next communication from the school came via [email](#) on July 19, when the school leader, Steve Werlein, outlined several contemplated means of tracking progress towards the 60 percent minimum target. Among other things, Mr. Werlein proposed that the measurable targets be based on language contained in the [Every Student Succeeds Act](#), the reauthorization of the Elementary and Secondary Education Act of 1965 (ESEA) which was signed into law in December 2015. That law substantially revised the ESEA, making substantial changes to federal education law and accountability from the previous No Child Left Behind Act.

As the Authority will recall, NCA raised concerns regarding potential conflicts between the state’s graduation rate and new ESSA provisions at the March Authority meeting. Several of these issues were addressed by State Superintendent Canavero in his presentation to the Authority at the April 2016 meeting when he strongly disputed the school’s contentions related to the inapplicability of the state’s current, federally approved method for calculating the graduation rate. “[T]he graduation rate that we have and that we are using is the graduation rate approved by USED. I can’t allow the record here to somehow suggest that the four-year cohort graduation rate that we are using, that has real consequences not only for your schools and for this school in particular, but for all of our high schools across the state, to somehow be discredited.”<sup>2</sup>

---

<sup>2</sup> State Public Charter School Authority Meeting [Transcript](#), March 25, 2016, page 27-28.

Agency staff requested a review by counsel of the provision cited by Mr. Werlein. Based on an initial review of the federal statute, staff contacted Mr. Werlein on Monday, July 25 and communicated our concerns regarding developing a calculation based on their interpretation of the new law. In a [memorandum](#) issued by Deputy Attorney General Greg Ott on Thursday, July 28, 2016, Mr. Ott concluded that there was no conflict between the Department’s current method for calculating the graduation rate and the provisions of ESSA.

Agency staff spoke with the school leader and counsel yesterday regarding these concerns and as of Thursday, July 28, 2016, the school has [proposed](#) targets to achieve the 60 percent target within three years:

Cohort Year	Measurement Date	Cohort Graduation %
<b>2015</b>	<b>December, 2015</b>	<b>37 %</b>
2016	December, 2016	45 %
2017	December, 2017	52 %
2018	December, 2018	60+%

Staff believes these targets are consistent with the guidance set forth by the Authority in May and believes they are SMART (specific, measurable, achievable, relevant, and time bound) goals which the Authority can use as an objective mechanism to evaluate student achievement and determine if the school should remain in the Authority portfolio.

Agency staff has concerns about the broad language that is included along with the proposed goals. The school proposes, for example, that there be an external validation of student academic record data and other characteristics to verify some of the contentions that the school has made regarding the unique characteristics of the student body. Staff concurs that external validation of information which is not tracked and reported by NDE is essential to ensuring that the Authority is receiving factual information. However, it is unclear how the Authority will be able to assess the relevance of such information as there is no ability to compare these data points at other schools and in other school systems. Consequently, staff urges the Authority to avoid committing to consideration of such data in making high stakes decisions regarding the school.

Staff recommended that the Board approve these goals contingent upon the school entering into a charter contract which contains terms identical to those agreed to by Beacon Academy in their recently amended [charter contract](#). The recommendation also specified that the contract identify the approved goals and provide that the school and the Authority will use the graduation rate calculated by the Department and that both parties agree to abide by any changes in the calculation rate approved by the US Department of Education. The recommendation provided that accountability consequences shall be imposed if the school does not achieve a particular annual target. Given the school’s willingness to collaborate with the Authority in setting annual performance targets, Agency staff also recommended that the Authority agree to take a charter contract termination that results in closure of the school off the table for the duration of the charter contract, provided that the contract require that the Authority could require that the school enter receivership or have its governing body reconstituted if the school does not meet an annual performance target. The recommendation also provided that the contract should require that judicial review of any appeal of a decision by the Authority would be limited solely to determining whether the school has or has not achieved the annual graduation rate target. This element was critical in light of the concern raised above regarding additional data points. Staff recommended that the language related to school-reported and externally verified data provide that the Authority shall review such information only after it

has notified the school of its intent to place the school into receivership or reconstitute the governing body due to failure to meet one of the annual graduation rate targets. The recommendation also specified that the contract should specify that while the Authority is required to review such evidence, it has the discretion of whether or not to consider such information in making the final decision to reconstitute or terminate the contract. Staff argued that it was important that the Authority be able to access relevant and objectively verified information in making decisions related to the best interests of schools and students while ensuring that it retains the authority to consider such evidence and the discretion to make the decision it deems the most appropriate.

After extensive discussion, the Authority approved the goals set forth by Nevada Connections Academy and required that the school and the Agency negotiate a contract acceptable to both parties.

Agency counsel has been in contact with school counsel over the past month and will report out on the progress of those discussions.