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6

7 **IN THE FIRST JUDICIAL DISTRICT COURT OF**
8 **THE STATE OF NEVADA IN AND FOR CARSON CITY**

9 DAVID & CARLY HELD individually
and on behalf of their minor child N.H.;
10 VERONICA BERRY individually and on
behalf of her minor child J.B.; RED AND
11 SHEILA FLORES individually and on
12 behalf of their minor children N.B.1,
N.B. 2, and N.B.3; KIMBERLY AND
13 CHARLES KING individually and on
14 behalf of their minor children L.K.1 and
15 L.K..2; NEVADA CONNECTIONS
ACADEMY,

CASE NO. 16 OC 00249 B
DEPT. NO. I

16 Plaintiff,

17 vs.

18 STATE OF NEVADA, ex rel., STATE
PUBLIC CHARTER SCHOOL
19 AUTHORITY, a political subdivision of
the STATE OF NEVADA, and PATRICK
20 GAVIN, in his official capacity as
Executive Director of the STATE
21 PUBLIC CHARTER SCHOOL
AUTHORITY,
22

23 Respondents.
24

25 **DEFENDANTS' OPPOSITION TO MOTION FOR PRELIMINARY INJUNCTION**
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27
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1 Defendants, State of Nevada, ex rel., State Public Charter School Authority
2 (**Authority**) and Patrick Gavin (**Gavin**) (collectively, **Defendants**), through their
3 counsel, Adam Paul Laxalt, Attorney General of the State of Nevada and Greg Ott,
4 Deputy Attorney General, oppose plaintiffs' motion for preliminary injunction.

5 **I.**

6 **INTRODUCTION**

7 Plaintiffs **admit** that Nevada Connections Academy's (NCA) 2015 graduation rate
8 was 35.63%. Plaintiffs also **admit** that Nevada's legislature in unambiguous language
9 vested the Authority with the discretion to close NCA.¹ In spite of these admissions,
10 Plaintiffs now seek extraordinary intervention by this Court to enjoin the Authority from
11 having a hearing on closure, at which, the Authority may or may not decide to close NCA.
12 Plaintiffs' unique request for this Court to enjoin a state agency from even having a
13 hearing is unprecedented, premature, and without any legal basis. This Court should
14 refuse plaintiffs' invitation to interfere with an ongoing state administrative process.

15 Plaintiffs' motion fails for other reasons. **First**, plaintiffs' allegations are
16 speculative. The Authority's notice of closure is not a final agency action. **Second**,
17 plaintiffs' separation of powers argument is moot and irrelevant. Plaintiff did not sign
18 the proposed contract. The Authority is statutorily authorized to close schools with a less
19 than 60 percent graduation, and so, could use its discretion to close NCA regardless of the
20 proposed solution it offered to NCA. **Third**, plaintiffs cannot show irreparable harm.
21 The putative harm to plaintiff is merely a future hearing at which they will be able to
22 make all of the arguments they prematurely make in this improper lawsuit. **Fourth**,
23 plaintiffs' arguments on the merits fail because plaintiffs' concede (i) NCA's graduation
24 rate was 35.63% in 2015, (ii) the existing charter contract is for the whole school, not
25 merely the high school, and (iii) Nevada's legislature expressly authorized the Authority
26

27 ¹ Motion for Preliminary Injunction, page 8, lines 12-13. "the legislation gave the
28 Agency discretion to consider the possibility of closure. . ."

1 to close a charter school where the school's graduation rate is below 60 percent under
2 NRS §338A.330(1)(e). **Fifth**, plaintiffs' estoppel argument fails because plaintiffs do not
3 and cannot allege the Authority promised the school would stay open if NCA drafted a
4 graduation plan. **Sixth**, plaintiffs' implied covenant fails because plaintiffs' argument is
5 untethered to any contractual provision.

6 Plaintiffs also fail to meet their burden to show the balance of hardships and public
7 policy weigh in their favor. There is no harm to plaintiffs should the administrative
8 hearing go forward. Plaintiffs certainly identify none, nor could they, since the hearing's
9 outcome is uncertain. Public policy also weighs in favor of allowing a state agency to use
10 its expertise, consider evidence, listen to argument, and make the decision on closure that
11 Nevada's legislature authorized it to make. This Court should not grant plaintiffs'
12 extraordinary request to interfere with a state agency's decision making process.

13 II.

14 STATEMENT OF FACTS

15 A. NCA is an Online Public Charter School

16 NCA is an online, distance-education charter school serving public school students
17 throughout Nevada in grades K-12.² As a public school, NCA receives taxpayer-dollars
18 from the State's Distributive School Account to pay for the education of students choosing
19 to attend.³ NCA is allowed to operate pursuant to a charter initially issued in 2007 for a
20 term of six years pursuant to statute.⁴

21 B. Authority Requested NCA Provided It with a Graduation Plan in 2013

22 In 2013, NCA sought a renewal of its 2007 charter from the Authority at its March
23 22, 2013 meeting.⁵ Despite the Authority's governing Board expressing concerns about
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25

26 ² <http://www.connectionsacademy.com/nevada-virtual-school/about>

27 ³ See, NRS 387.124

28 ⁴ NRS 388A.270(8)

⁵ Exhibit 5, State Public Charter School Authority, Agenda for Meeting on March 22, 2013, agenda item 10.

1 NCA's low graduation rates of 26.5% in 2011 and 36.08% in 2012⁶, the Authority
2 approved the renewal of NCA with provisions that it create a plan for improvements in its
3 high school graduation rates.⁷

4 **C. NCA's Graduation Rate from 2013-2016 Did Not Improve Significantly**

5 Despite the directive from the Authority's Board, NCA's graduation rate showed
6 little improvement. NCA's graduation rate was 33.91% in 2013. It was 37.19% in 2014.
7 It fell again to 35.63% in 2016.⁸

8 **D. The Authority Did Not Mandate NCA Convert from Charter to Contract**

9 During the 2015 legislative session, the Nevada legislature passed Senate Bill 509
10 which, among other things, authorized sponsors of charter schools to reconstitute a
11 school's governing body or revoke the written charter of a school if the graduation rate for
12 the preceding year was below sixty percent (60%).⁹ Authority staff worked with a number
13 of schools eligible for closure due to low graduation rates to develop plans for
14 improvement with measureable benchmarks. At its July Meeting, more than three years
15 after the Authority's Board directed the school to create a plan for graduation rate
16 improvement, NCA presented a plan to the Board.¹⁰ The Board conditioned its approval
17 of the plan upon the school entering into a charter contract of agreeable terms.¹¹ No
18 contract was agreed to, so the contingent approval of the July 29, 2016 Board meeting
19 failed.

20 ///

22 ⁶ Exhibit 9, "Cohort Graduation Rates." The Authority also indicated significant
23 concerns with NCA's inability to have its students meet adequate growth in math.

24 ⁷ See, exhibit 9 for Nevada Department of Education published graduation rate
25 data for Nevada Connections Academy. Exhibit 6, Minutes of the March 22, 2013 renewal
26 discussion.

25 ⁸ Exhibit 9, "Cohort Graduation Rates."

26 ⁹ NRS 388A.330(1)(e)

27 ¹⁰ Exhibit 7, State Public Charter School Authority, Minutes for the Meeting on
28 July 29, 2016.

¹¹ See, exhibit 7 the Authority's July 29, 2016 Board Meeting Minutes regarding
agenda item 13, where the board unanimously approved "these goals contingent upon the
school entering into a charter contract which contains terms agreeable to both parties."

1 In sum, Contrary to the allegations of the complaint, the Board did not mandate
2 NCA to convert its charter to a contract. It conditioned its approval of a plan on such a
3 conversion. The only consequence of the failure to convert its written charter to a charter
4 contract was the failure of approval of its graduation rate improvement plan. As of the
5 filing of this Motion to Dismiss, NCA remains open and operational pursuant to its 2013
6 written charter.¹²

7 **D. Authority's Notice of Intent to Close NCA**

8 On September 23, 2016, the Authority Board directed staff to issue a Notice of
9 Intent to Revoke the Written Charter of Nevada Connections Academy (the "Notice of
10 Intent"), "based on having a graduation rate for the preceding school year that is less
11 than 60 percent".¹³ Staff then sent NCA the Notice of Intent on September 30, 2016.¹⁴
12 The Notice of Intent is consistent with NRS 388A.330(2) and commenced the process
13 which culminates in a hearing before the Authority as required by NRS 388A.330(3). The
14 Notice of Intent notifies the school of the deficiencies (the school's graduation rate) gives
15 the school a time period to correct those deficiencies (the cure period remains open
16 through December 2, 2016), and sets a date for a hearing before the Board to determine if
17 the deficiencies have been corrected (December 16, 2016). If the deficiencies have been
18 corrected to the satisfaction of the Authority, the Authority shall not take action.

19 **III.**

20 **LEGAL STANDARD**

21 For a preliminary injunction to issue, the moving party must show that there is a
22 likelihood of success on the merits and that the nonmoving party's conduct, should it
23 continue would cause irreparable harm for which there is no adequate remedy at law.¹⁵
24

25 ¹² Exhibit 4, Notice of Intent to Revoke Written Charter, for the School's failure to
26 graduate students. However, the hearing required pursuant to NRS 388A.330 will not be
held until December 16, 2016.

27 ¹³ Exhibit 8, State Public Charter School Authority, Minutes for Meeting on
September 23, 2016.

28 ¹⁴ Exhibit 4, Notice of Intent to Revoke Written Charter.

¹⁵ *State Dep't of Conservation v. Foley*, 121 Nev. 77, 80 (2005).

1 Injunctive relief is extraordinary relief, and the irreparable harm must be articulated in
2 specific terms by the issuing order or be sufficiently apparent elsewhere in the record.¹⁶ In
3 considering preliminary injunctions, courts also weigh the potential hardships to the
4 relative parties and others, and the public interest.¹⁷

5 IV.

6 LEGAL ARGUMENT

7 A. No Likelihood of Success on the Merits

8 1. This Case is not Justiciable

9 a. This Case is Not Ripe Absent Authority's Final Decision
10 on Closure

11 "Declaratory relief is available only if: (1) a justiciable controversy exists between
12 persons with adverse interests, (2) the party seeking declaratory relief has a legally
13 protectable interest in the controversy, and (3) the issue is ripe for judicial
14 determination."¹⁸ NCA asks the court that the Authority's September 23, 2016 motion be
15 vacated despite admitting that the Authority is within its legal authority to *consider*
16 closure.¹⁹ However, NCA fails to allege any harm caused by the decision other than in the
17 broadest conclusory language. While harm need not already have been suffered, it must
18 be probable for the issue to be ripe for judicial review.²⁰

19 NCA claims that thousands of students in Nevada are being put in jeopardy by
20 NCA being subjected to ongoing closure proceedings. NCA is alleging that the mere act of
21 *considering* action against the school (which is explicitly and uncontrovertibly allowed by
22 NRS 388A.330(1)(e)) is damaging students by creating uncertainty. This assertion is
23 striking in that it would effectively prevent the Authority from *ever* considering any
24 accountability action (including both closure and reconstitution of the school's governing

25 ¹⁶ *Id.*

26 ¹⁷ *University Sys. v. Nevadans for Sound Gov't*, 120 Nev. 712, 721 (2004).

27 ¹⁸ *Knittle v. Progressive Casualty Ins. Co.*, 112 Nev. 8, 10, 908 P.2d 724, 725 (1996).

28 ¹⁹ Motion for Preliminary Injunction, page 8, lines 12-13. "the legislation gave the
Agency discretion to consider the possibility of closure. . ."

²⁰ *Herbst Gaming, Inv. v. Heller*, 122 Nev. 877 (2006).

1 board) against any school as the contemplation of action would be injury. In fact, there is
2 no evidence of harm to students and NCA remains in operation and will likely have
3 received another payment from the Distributive School Account of 1.6 million dollars by
4 the time this Motion for Preliminary Injunction is heard. Even in the most adverse
5 situation that the school could envision (an outright revocation of the charter and closure
6 of the school), that action would not take place until, at the earliest, the end of the 2016–
7 17 school year.²¹

8 The students attending NCA would not be denied an education. The constitutional
9 protections for public education are larger than this school. Students would continue to
10 have all the options to attend district schools that other children throughout the state
11 enjoy, including traditional public schools, charter schools, and distance education.

12 **b. Issues Concerning the Proposed Contract are Moot**

13 “A moot case is one which seeks to determine an abstract question which does not
14 rest upon existing facts or rights.” *Nat’l Collegiate Athletic Assn v. Univ. of Nevada, Reno*,
15 97 Nev. 56, 58, 624 P.2d 10, 11 (1981). Plaintiffs’ argue that the proposed contract
16 violates separation of powers principles. Plaintiffs ignore the salient fact that they did
17 not sign the proposed contract, it is not in force for this Court to consider, and plaintiffs
18 have no existing rights or obligations under the unsigned draft agreement that could
19 conceivable create a live controversy. Therefore, plaintiffs’ novel separation of powers
20 argument is merely an abstract question of law that does not rest upon existing fact.

21 **2. Having to Attend a Future Hearing is Not Irreparable Harm**

22 A court is not empowered to issue extraordinary relief absent a showing of
23 irreparable harm.²² Speculative injury does not constitute irreparable injury sufficient to
24 warrant granting a preliminary injunction.²³ A plaintiff must do more than merely allege
25 imminent harm sufficient to establish standing; a plaintiff must *demonstrate* immediate
26

27 ²¹ Notice of Intent to Revoke Written Charter, Exhibit 4, paragraph 5.

28 ²² *Dangberg Holdings v. Douglas Co.*, 115 Nev. 129, 142, 978 P.2d 311, 319 (1999).

²³ *Goldie's Bookstore, Inc. v. Superior Court*, 739 F.2d 466, 472 (9th Cir. 1984).

1 threatened injury as a prerequisite to preliminary injunctive relief.²⁴

2 Here, NCA's Motion for Preliminary Injunction does not allege any facts showing
3 that any harm, much less irreparable harm, if the Authority is allowed to proceed with its
4 upcoming December 16 hearing considering accountability.²⁵ Even the supporting
5 affidavits only allege that children would suffer harm if returned to a brick-and-mortar
6 school. NCA presents no evidence that children would face that choice in the event that
7 the Authority determined that NCA's charter should be revoked.

8 Additionally, the Authority's Board is not limited to closing the school at the
9 December 16, 2016 meeting. NRS 388.330 allows not only the termination of a charter,
10 but also the reconstitution of the governing board of NCA. There is no allegation that the
11 reconstitution of the governing board of NCA would harm anyone, yet NCA's Motion for
12 Preliminary Injunction asks this court to enjoin any accountability action.²⁶

13 **3. Judicial Review of the December 16 Hearing Means that NCA has an**
14 **Adequate Remedy at Law**

15 After the Authority's Board has heard the evidence regarding NCA's putative
16 efforts to cure the deficiencies in its graduation rate and rendered its decision pursuant to
17 NRS §388A.330, NCA may institute a petition for judicial review under NRS §233B.130
18 or such action may be unnecessary because it may be satisfied with the decision of the
19 seven members appointed to serve on the Authority's Board pursuant to NRS §388A.153.

20 In sum, school closure is only a potentiality at this point in time. No court, at least
21 plaintiffs certainly cite to none, has found that having to attend a hearing is irreparable
22 harm. Plaintiffs have an adequate remedy at law – a petition for judicial review *if* the
23 Authority decides to close NCA.

24 ///

25 ²⁴ *L.A. Coliseum*, 634 F.2d at 1201.

26 ²⁵ Some affidavits from parents allege that their students would suffer harm upon
27 closure of the school, however, NCA is seeking to prevent more than that. It is seeking
28 this court's intervention prior to the NRS 388A.330 hearing to determine if the school
should be closed and prevent the statutory process from proceeding.

²⁶ Motion for Preliminary Injunction, page 35, line 12-13.

1 **4. Authority's Notice of Closure was Statutorily Valid**

2 The statute is unavoidably clear that charter schools with graduation rates below
3 sixty percent (60%) may have their charter terminated.²⁷ NCA's graduation rate for the
4 preceding year of 2015 was 35.63%.²⁸ NCA attacks the Authority's Board action
5 commencing closure proceedings on two fronts. It argues that the Authority is unable to
6 take action against the entire K-12 school for the deplorable performance of the high
7 school, and it argues that the Authority improperly attempted to compel the school to
8 waive its right to judicial review in a contract amendment that was never completed. It
9 cannot show a likelihood of success in either of these arguments.

10 **a. NCA's High School Cannot be Severed**

11 NCA is a single school. It operates under one single written charter authorizing it
12 to operate a single school.²⁹ NRS §388A.330 does not give the Authority any ability to
13 unilaterally reform a charter contract limiting the number or grade level of students that
14 school attempts to serve.³⁰ NCA does not allege that the Authority has an ability to
15 unilaterally amend the school's charter based on the NRS §388A.330 criteria to eliminate
16 the high school. Instead, NCA simply asks this Court to prevent any action against the
17 school based on the school's thirty-five percent (35%) graduation rate, a result which
18 would allow a school such as NCA, serving students from K-12, to avoid all accountability
19 for failures at its high school, elementary school, or middle school.

20 **b. Accountability Proceedings against NCA Are Based On Its**
21 **Statutorily Unacceptable Graduation Rate**

22 The Authority is not retaliating against NCA. The reason for the Authority's
23 decision to issue a Notice of Intent must be included in the Notice of Intent pursuant to

24 ²⁷ NRS 388A.330(1)(e)
25 ²⁸ Exhibit 9, Cohort Graduation Rate.
26 ²⁹ Exhibit 1, Charter School Agreement. *See also*, Motion for Preliminary
27 Injunction, page 21, line 5-6.
28 ³⁰ There is nothing preventing NCA from requesting an amendment to its charter
to eliminate its high school and offering such amendment as a cure to the deficient
graduation rate as allowed by NRS 388A.330(3). The Authority's Board would then
consider the requested correction as contemplated by statute. However, as of the filing of
this opposition, NCA has made no such requests to modify the students it serves.

1 NRS §388A.330(2)(a). The reason is NCA's thirty-five percent (35%) graduation rate. In
2 an effort to avoid closure of the school, prompt improvement, and avoid litigation, the
3 AUTHORITY engaged in significant settlement discussions with NCA regarding a
4 transition to a charter contract. The content of those discussions, including any
5 discussion of possible consensual limitation of the scope of judicial review, is inadmissible
6 pursuant to NRS §48.105 and the Authority requests that the court not consider any
7 allegations related to settlement discussions. Public policy favors parties attempting to
8 resolve issues amicably and should the court consider NCA's arguments regarding
9 resolution, it could chill further efforts of schools and the Authority to resolve issues prior
10 to litigation.

11 Should the court consider the settlement discussions, the Authority will clarify the
12 record. NCA would have the court believe that the Authority attempted to force it to
13 waive any rights to judicial review, and after it refused, initiated revocation proceedings
14 without any legal basis. NCA's own factual assertions show this is untrue. The Authority
15 considered issuing a Notice of Intent to terminate the charter as far back as February,
16 2016 and again in March, 2016.³¹ Only later during the settlement negotiations
17 attempting to avoid a hearing regarding termination, did the issues of limitation of
18 judicial review arise.³² Settlement discussions occurring after the Authority began
19 considering a Notice of Intent to revoke a charter and which are clearly unrelated to the
20 reason for the Notice of Intent to revoke, should not invalidate a lawfully commenced
21 proceeding protected by NRS 388A.330.

22 **c. NCA Was Not Unilaterally Forced to Waive Its Right to**
23 **Judicial Review**

24 Prior to 2013, all charter schools in Nevada were authorized by the execution of a
25 written charter between school and authorizer. In 2013, Assembly Bill (AB) 205 changed
26

27 ³¹ NCA's Complaint, page 9, paragraph 26, line 20-23, and paragraph 31, page 11,
line 4-5.

28 ³² NCA's Complaint, page 15, paragraph 44, line 18-21.

1 the law and created a charter contract as defined by NRS 388A.015 which is a more
2 robust document more fully explaining the rights and obligations of the parties. Parallel
3 sections of most charter school laws were created in AB 205 allowing existing schools to
4 function under a written charter while new schools operated under a charter contract (see
5 NRS 388A.168, NRS 388A.199, NRS 388A.223, 388A.270, 388A.276, 388A.279, 388A.282,
6 388A.300, 388A.303, 388A.306, 388A.320, 388A.330, among others). In 2020, the
7 provisions regarding written charters will expire and all schools will need to be on charter
8 contracts by that time.

9 In response to this bill, the Authority created a form charter contract which has
10 been continuously available on its website.³³ The Authority has consistently required any
11 schools authorized by a written charter and requesting an amendment under NRS
12 388A.276 to transition to a charter contract. NCA is currently operating under a written
13 charter. Its request to implement a graduation rate improvement plan with benchmarks
14 is considered by the Authority to be an amendment such that the Authority would require
15 the school transition to charter contract.

16 Authority staff did not believe that it was reasonable to expect NCA to increase its
17 graduation rate from its current level of 35% to the statutorily required 60% in a single
18 year. During discussions between Authority staff and school staff, the Authority
19 requested that the school commit to benchmarks for improvement so that the progress of
20 the school toward an acceptable level could be evaluated. Staff also proposed that should
21 the school commit to a graduation improvement plan and reasonable benchmarks, Staff
22 would agree not to recommend closure of the school for the duration of the plan.
23 However, if the school's plan was not effective and the school failed to improve its
24 graduation rate on schedule, the school would agree that judicial review of any decision to
25 reconstitute the school's governing board or appoint a receiver would be limited to
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27
28 ³³[http://charterschools.nv.gov/uploadedFiles/CharterSchoolsnvgov/content/Grocers/
New%20School%20Contract%20Template_V2.pdf](http://charterschools.nv.gov/uploadedFiles/CharterSchoolsnvgov/content/Grocers/New%20School%20Contract%20Template_V2.pdf)

1 whether or not the benchmark was met.³⁴ Judicial review of any other provision of the
2 contract was unaffected by this term. NCA objected to this and other terms of the
3 proposed contract and no contract was agreed to between the Authority and NCA, so NCA
4 is currently governed by the same written charter it has operated under since 2013.

5 **5. NCA is Not Entitled to Judicial Review of an Interlocutory Notice**

6 “Courts have no inherent appellate jurisdiction over official acts of administrative
7 agencies except where the legislature has made some statutory provision for judicial
8 review.”³⁵ “Pursuant to the [APA] ..., not every administrative decision is reviewable.”³⁶
9 Instead, only those decisions falling within the APA's terms and challenged according to
10 the APA's procedures invoke the district court's jurisdiction.³⁷ NCA does not contend that
11 the September 23, 2016 decision to commence accountability proceedings was a contested
12 case under NRS §233B.032. Instead, it alleges that any review of the final decision of the
13 December 16, 2016 hearing would not provide adequate remedy because “the harm will be
14 immediate” and “the damage will be done given the pending uncertainty of the school, its
15 board, its staff, parents, and above all, its students.”³⁸ However, it does not provide any
16 support for these legal conclusions. The Notice of Intent clearly provides that any
17 decision to close the school would be effective no earlier than the end of the 2016-17 school
18 year allowing plenty of time for students and families to prepare to transition, or for
19 courts to examine the record of the December 16 hearing along with findings of fact and
20 conclusions law.³⁹ NCA's Motion simply provides no evidence that review of the final
21 decision would not provide adequate remedy.

22 Additionally, NCA cannot show that it would be successful on a Petition for
23 Judicial Review of the September 23, 2016 decision to issue the Notice of Intent. NRS
24

25 ³⁴ Exhibit 11, Proposed Charter School Contract, section 8.1.5.1.

26 ³⁵ *Washoe County v. Otto* Nev. 282 P. 3d 719, 724 (2012).

27 ³⁶ *Private Inv. Licensing Bd. v. Atherley*, 98 Nev. 514, 515, 654 P.2d 1019, 1019
(1982).

28 ³⁷ *Id.*

³⁸ Motion for Preliminary Injunction, page 23 line 21-22 and page 24, line 4-5.

³⁹ Notice of Intent to Revoke Written Charter, Exhibit 4, paragraph 5.

1 §388A.330(1)(e) is explicitly clear that the Authority may consider action against NCA
2 and NCA admits that the Authority may consider closure.⁴⁰ NCA's Motion alleges a wide
3 variety of things but it does not allege the one thing that could affect the validity of the
4 issuance of Notice of Intent: its graduation rate was actually higher than sixty percent
5 (60%) and thus, the Authority is beyond its statutory authority by considering
6 accountability for the school.

7 **6. NCA's Equitable Estoppel Theory Ignores Authority's Directives To**
8 **Develop A Graduation Rate Improvement Plan Occurred in 2013**

9 This is the most troubling section of NCA's Motion for a Preliminary Injunction
10 because it implies that the only reason NCA worked on improving its graduation rate was
11 under the threat of closure. NCA's graduation rate has been below forty percent (40%)
12 since before the Authority approved the school's renewal in 2013.⁴¹ The 2013 renewal
13 required the development of a graduation rate improvement plan.⁴² However, despite the
14 directive from the Authority's Board, NCA's graduation rate showed little improvement.
15 In 2013 it fell to 33.91%; in 2014 it rose to 37.19% before falling again to 35.63% in 2016.
16 NCA now asserts that despite years of failing to graduate forty percent (40%) of its
17 students and despite a specific directive from its authorizer to do so, it would never have
18 developed a graduation rate improvement plan had it not been threatened with
19 accountability by the Authority's Board.

20 *Worse still*, the essential element of equitable estoppel that Authority's conduct
21 misled plaintiffs is lacking.⁴³ **First**, NCA does not state that Authority told it that NCA
22 would remain open if it simply created a graduation plan. **Second**, NCA could not have
23 been misled by anything Authority said in 2016 regarding the graduation plan since NCA
24 was already under an obligation to prepare one since 2013.

25 ⁴⁰ Motion for Preliminary Injunction, page 8, lines 12-13. "the legislation gave the
26 Agency discretion to consider the possibility of closure. . ."

27 ⁴¹ Exhibit 9, Cohort Graduation Rates.

28 ⁴² Exhibit 9, Cohort Graduation Rates. Exhibit 6, State Public Charter School
Authority, Minutes for Meeting on March 22, 2013.

⁴³ *Cheqer, Inc. v. Painters & Decorators*, 98 Nev. 609, 614, 655 P.2d 996, 998-99 (1982).

1 **7. Authority did not Breach the Charter**

2 “Where the terms of a contract are literally complied with but one party to the
3 contract deliberately countervenes the intention and spirit of the contract, that party can
4 incur liability for breach of the implied covenant of good faith and fair dealing.”⁴⁴ The
5 doctrine of good faith cannot be misused to create rights that the parties themselves did
6 not agree to in the contract’s language.⁴⁵

7 Here, the individual plaintiffs have no contract with the Authority. To the extent
8 the charter can be considered a binding contract with the Authority, NCA points to no
9 contractual clause which is even applicable to this dispute. *Worse still*, NCA fails to
10 explain how the Authority’s mere proposal of a new contract can be considered a breach of
11 the Charter. NCA cannot create an obligation that does not exist in order to invent a
12 breach of the implied covenant of good faith and fair dealing.

13 **8. A Writ is Not a Proper Remedy**

14 A writ is an extraordinary remedy to be reserved for extraordinary causes in which
15 an appeal is an inadequate remedy.⁴⁶ Mandamus is an extraordinary remedy, and the
16 decision as to whether a petition will be entertained lies within the sound discretion of
17 the court.⁴⁷

18 NCA requests a writ “directing the Authority to proceed in a lawful manner and
19 allow NCA to continue operations in accordance with Nevada law under its existing
20 charter and subject to the Authority’s continuing jurisdiction.”⁴⁸ However, a request to
21 proceed in a lawful manner and allow continued operations is a request in anticipation of
22 future failures by the Authority. Nevada law is explicit that “a writ of mandamus will not
23
24

25 ⁴⁴ *Hilton Hotels Corp. v. Butch Lewis Prod., Inc.*, 107 Nev. 226, 234, 808 P.2d 919,
26 922-923 (1991).

27 ⁴⁵ *Nelson v. Heer*, 123 Nev. 217, 226-227, 163 P.3d 420, 427 (2007).

28 ⁴⁶ *In re McDonald* 489 U.S. 180 (1989), NRS 34.170; NRS 34.330.

⁴⁷ *See, Poulous v. District Court*, 98 Nev. 453, 455, 652 P.2d 1177, 1178 (1982).

⁴⁸ NCA’s Complaint, Prayer for Relief, paragraph 3.

1 be granted in anticipation of a supposed omission of duty.”⁴⁹ An actual default or
2 omission of duty is an essential prerequisite to the issuance of a writ of mandamus and
3 “the writ will not issue until that time.”⁵⁰ The writ sought by NCA does not address an
4 existing omission or default and a presumption of future omissions, however strong, is
5 insufficient to support a writ.⁵¹

6 **B. Public Policy and the Balance of the Hardships Weigh Heavily In Favor of**
7 **Allowing the Authority to Hold a Hearing**

8 This motion for a preliminary injunction is not a request for the court to keep a
9 failing school open. It is a request for the court to prevent the Authority from holding a
10 hearing to determine if the school has corrected its deficiencies, and what action is
11 appropriate in the event that the Authority determines that it has not. The school is still
12 within the time period within which it may take steps to cure the deficiency and hopefully
13 it, like other schools that were similarly noticed of poor graduation rates is taking
14 significant steps to correct those deficiencies. It is not knowable at this time whether
15 NCA has taken significant steps to correct its deficiencies because the window of
16 opportunity for correction is still open. Even if the school does not take significant action
17 to correct its deficiencies, the Authority still is not mandated to take any action. It may
18 choose to allow the current board more time to correct the deficiencies, it may choose to
19 replace the current board, or it may choose to revoke the written charter. However, the
20 Notice of Intent specifically states that the written charter cannot be revoked any sooner
21 than the end of this academic year.⁵²

22 The Authority is the authorizing body for this school. NCA exists because of a
23 written charter between the Authority and the school. When the Authority has statutory
24 reason to be concerned that the school is not serving children, the legislature set up a
25

26 ⁴⁹ *Brewery Arts Ctr. v. State Bd. Examiners* 108 Nev. 1050, 1053, 843 P. 2d 369, 372
(1992).

27 ⁵⁰ *State of Nevada v. Gracey* 11 Nev. 223, 234 (1876).

28 ⁵¹ *Id.*

⁵² Exhibit 4, Notice of Intent to Revoke Written Charter, paragraph 5.

1 process where the school is notified of the deficiency and given an opportunity to correct
2 it.⁵³ Then there is a hearing to determine if the deficiency has been corrected. Judicial
3 intervention prior to the Authority's hearing wastes judicial resources because it forces
4 the court act without benefit of the record and reasoning from the Authority. It is also
5 incentivizes schools to avoid addressing the issues that caused the Authority concern and
6 instead prioritize litigation at the first hint of any accountability action.

7 Any judicial review at this early stage should be limited to whether or not the
8 Authority had an adequate statutory basis for issuing the Notice of Intent under NRS
9 388A.330 as that is the only decision that has been made at this point. That issue can be
10 done quickly and easily by the court by reviewing NRS 388A.330 and the Notice of Intent.

11 V.

12 CONCLUSION

13 At the time of filing its Complaints and Motion for Preliminary Injunction, NCA
14 remains open and operational pursuant to the same written charter it has operated under
15 since 2013. Despite NCA's perpetual failure to graduate it students, no action has been
16 taken by the Board to affect the legal rights or obligations of NCA at this time. NCA has
17 not shown a likelihood of success on any cause of action affecting the December 16, 2016
18 date, nor has it demonstrated any irreparable harm from the Authority's consideration of
19 accountability for this school and the motion for Preliminary Injunction should be denied
20 so that the Authority's hearing can move forward and the experts in this area can fulfill
21 their statutory obligations.

22 DATED this 17th day of November, 2016.

23 ADAM PAUL LAXALT
24 Attorney General

25 By:


26 GREGORY D. OTT
27 Deputy Attorney General

28 ⁵³ NRS 388A.330

Attorney General's Office
100 N. Carson Street
Carson City, Nevada 89701-4717

CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Office of the Attorney General, and that on this 17th day of November, 2016, I filed the foregoing

DEFENDANTS' OPPOSITION TO MOTION FOR PRELIMINARY INJUNCTION,

with the Clerk of the Court and served the following party by way of the United States

Postal Service:

Nevada Connections Academy
555 Double Eagle Ct., #2000,
Reno, NV 89521

And by electronic mail to:

Laura K. Granier
Davis Graham & Stubbs, LLP
50 W Liberty St., Ste. 950
Reno, NV 89501
Laura.granier@dgsllaw.com

Patrick Gavin, Executive Director
State Public Charter School Authority
1749 North Stewart St., Ste. 40
Carson City, NV 89706-2543
pgavin@spsca.nv.gov

/s/ Marissa Houk
Marissa Houk, Employee of the State of
Nevada, Office of the Attorney General

Attorney General's Office
100 N. Carson Street
Carson City, Nevada 89701-4717

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AFFIRMATION PURSUANT TO NRS 239B.030

The undersigned does hereby affirm that the preceding document does not contain the personal information of any person.

DATED this 17th day of November, 2016.



GREGORY D. OTT
Deputy Attorney General
*Attorneys for the State of Nevada,
State Public Charter School Authority*

EXHIBIT INDEX

Exhibit	Description	Number of Pages
1	Charter School Agreement	6
2	State of Nevada, Budget Status Report, Charter - Nevada Connections, Fiscal Year 2016	2
3	State of Nevada, Budget Status Report, Charter - Nevada Connections, Fiscal Year 2017	1
4	Notice of Intent to Revoke Written Charter, dated September 30, 2016	2
5	State Public Charter School Authority, Agenda for Meeting on March 22, 2013	3
6	State Public Charter School Authority, Minutes for Meeting on March 22, 2013	19
7	State Public Charter School Authority, Minutes for Meeting on July 29, 2016	5
8	State Public Charter School Authority, Minutes for Meeting on September 23, 2016	4
9	Cohort Graduation Rates	1
10	Declaration of Gregory Ott	3
11	NCA Proposed Charter School Contract	35

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EXHIBIT 1

EXHIBIT 1

CHARTER SCHOOL AGREEMENT

State Public Charter School Authority And Nevada Connections Academy Charter School

THIS AGREEMENT is made and entered by and between the State Public Charter School Authority ("Authority") and the Nevada Connections Academy Charter School ("Charter School"), a public school.

The Authority and the Charter School are referred to collectively as the "Parties."

RECITALS

WHEREAS, The primary consideration of the Legislature in enacting legislation to authorize charter schools is to serve the best interests of all pupils, including pupils who may be at risk; and

WHEREAS, the Authority has the authority to sponsor charter schools pursuant to NRS 386.509; and

WHEREAS, NRS 386.490-386.610 apply to the Charter School; and

WHEREAS, on May 5, 2007, the State Board of Education approved the proposed charter as set forth in Exhibit A ("Charter Application"); and

WHEREAS, on March 22, 2013, the Authority approved the Charter School's application for charter renewal; and

WHEREAS, the Parties intend that this Charter School Agreement serve as a contract that governs the operation of the Charter School;

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual understandings, releases, covenants and payments herein described, the Parties agree as follows:

AGREEMENT

1. Compliance with Nevada Law. The statutes and regulations which establish charter schools in Nevada and the Charter Application approved by the Authority are hereby incorporated by reference as a part of this Agreement. The Charter School agrees to comply with all statutes and regulations regarding the creation and operation of charter schools in Nevada, including specifically NRS 386.550.

2. Term. It is the intent of the Authority that the Charter, including this Agreement, is to be effective for a period of six (6) years, to begin on May 6, 2013, and to terminate on May 5, 2019.

3. Charter School Independence. Pursuant to NRS 386.565, the Authority shall not assign any pupil who is enrolled in a public school or any employee who is employed in a public school to the Charter School, or interfere with the operation and management of the Charter School except as authorized by written charter, NRS 386.500 to 386.610, inclusive, and any other statute or regulation applicable to the Charter School or its officers or employees. The Authority and the Nevada Department of Education (Department), or its designees, may physically inspect the school and its records, including employee and financial records, at any time.

4. Student Achievement. The Charter School agrees to report to the Authority on a regular basis the academic progress of the Charter School in meeting standards of achievement set forth in the Application, as required by NRS 386.605 and NRS 386.610. Additionally:

- The sponsor shall base evaluation of student achievement on the academic performance indicators and measures set forth by the performance framework and the statewide system of accountability (NRS 385.3455 through NRS 385.391).
- The performance framework may include school-specific performance goals to the extent such goals meet the sponsor's expectations for rigor, validity, and reliability.
- The sponsor shall evaluate the charter school at least annually consistent with the indicators and measures set out in the performance framework and the statewide system of accountability.

5. Employment Matters. The Charter School agrees to comply with the provisions of NRS 386.595 regarding employment status. The Charter School will establish and implement its own dispute resolution process for employment matters.

6. Costs of Operations. The Charter School shall be responsible for all costs associated with its school operations, including the cost of contracting for goods and services.

a. The Charter School shall clearly indicate to vendors and other entities and individuals with which or with whom the Charter School enters into an agreement or contract for goods or services that the obligations of the Charter School under such agreement or contract are solely the responsibility of the Charter School and are not the responsibility of the State of Nevada, the Authority, or the Department. The Charter School shall include in any agreement or contract entered into after the effective date of this Agreement that the provisions of any such agreement or contract are enforceable only to the extent they are compliant with applicable law and regulation.

b. The Charter School agrees that it will not extend the faith and credit of the Authority, the State of Nevada, or the Department to any third person or entity. The Charter School acknowledges and agrees that it has no authority to enter into a contract that would bind the Authority.

7. Legal Liabilities/Indemnification. As required by NRS 386.550, the Charter School agrees that the Authority is not liable for the acts or omissions of the Charter School, its officers, agents, or employees. Subject to NRS Chapter 41, the Charter School agrees to defend,

indemnify, and hold the Authority, its agents and employees harmless from all liability, claims and demands on account of contract, injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever which arise out of or are in any manner connected with the negligent (or wrongful conduct in) operations of the Charter School.

8. Insurance. The Charter School agrees that it will maintain all appropriate insurance coverages, including coverages for general liability and worker's compensation, as required to protect itself, the Authority and the Department, and specifically as required by NRS 386.550 and NAC 386.215.

9. Special Education. The Charter School agrees to be responsible for the provision of special education services to students with disabilities who attend the Charter School in accordance with the requirements of state and federal law including Section 504 of the Rehabilitation Act of 1973 and the Individuals with Disabilities Improved Education Act of 2004. The Charter School is responsible, both financially and programmatically, for the response and resolution of any Due Process complaints filed against it.

10. Student Withdrawal. The Charter School may not require pupils or their parent or guardian to sign "contracts," "commitments," or other documents that can result in the removal, withdrawal, suspension or expulsion of the pupil from the school for reasons other than the reasons for suspension or expulsion stated in NRS 392.4655-392.467 or other applicable statute or regulation. The Charter School may suspend or expel pupils only for the reasons stated in NRS 392.4655-392.467. Removal of a pupil from a charter school, except for suspension or expulsion pursuant to NRS 392.4655-392.467, is solely the decision of the parent or guardian of the pupil. Any removal of a pupil from a charter school against the wishes of the parent or guardian must comply with NRS 392.4655-392.467. Nothing in this provision precludes the Charter School from withdrawing a pupil from the Charter School consistent with applicable statute and regulation.

11. Gifts/Donations/Grants. The Charter School shall inform the Authority of any gifts, donations, grants, etc. received for the school that exceed \$1,000 in value.

12. Miscellaneous Provisions.

a. Entire Agreement. Except as otherwise required by law, this Agreement contains all terms, conditions and provisions hereof and the entire understandings and all representations of understandings and discussions of the parties relating thereto, and all prior representations, understandings and discussions are merged herein and superseded and canceled by this Agreement.

b. Amendment. This Agreement may only be modified or amended by further written agreement executed by the parties hereto, provided that such amendment will grant the Charter School a greater ability to achieve its educational goals and objectives. An amendment may not authorize an extension of the duration of the term of the written charter.

c. Notice. Any notice required, or permitted, under this Agreement, shall be in writing and shall be effective upon personal delivery (subject to verification of service or acknowledgment of receipt) or three (3) days after mailing when sent by certified mail, postage prepaid, to the office of the Charter School's governing body, in the case of notice being sent to the Charter School, or to the Office of the President of the Authority for notice to the Authority.

d. No Waiver. The parties agree that no assent, express or implied, to any breach by either of them of any one or more of the covenants and agreements expressed herein shall be deemed or be taken to constitute a waiver of any succeeding or other breach.

e. Applicable Law. The parties intend that where this Agreement references federal or state law that they be bound by any amendment to such laws, upon the effective date of such amendments.

f. Invalidity. If any provision of this Agreement is determined to be unenforceable or invalid for any reason, the remainder of the Agreement shall remain in effect, unless otherwise terminated by one or both of the parties in accordance with the terms contained herein or unless such provision frustrates the Parties' intention for entering into this Agreement.

13. Home School Prohibition. Pursuant to NRS 386.505, the Charter School shall not serve as a means for providing financial assistance for a program of home study.

14. Adherence to NRS (Nevada Revised Statute) and NAC (Nevada Administrative Code). Nothing in the Written Charter, the application approved by the sponsor, or this Agreement is to be construed as replacing, taking precedence over, or overriding any applicable NRS, NAC, or federal law or regulation.

15. If Applicable, Distance Education Program. The distance education program shall operate only as described in the distance education application specifically approved by the Department. The distance education program is subject to all provisions of NRS 388.820 through NRS 388.874, including the NRS 388.866(1) requirement for weekly communication between the teacher of each course offered through the program and the pupil. The distance education program is subject to all provisions of NAC 388.800 through NAC 388.860.

16. If Applicable, Distance Education Program. Pursuant to NAC 387.171, the Master Register of Attendance shall include:

- The name of the pupil;
- The gender of the pupil;
- The date of birth of the pupil;
- The school in which the pupil is enrolled;
- The grade or ungraded category of educational service to which the pupil is admitted;
- The dates, if applicable, of enrollment and reenrollment;
- The date of withdrawal, if applicable, and the reason for the withdrawal as described in NAC 387.215;

The pupils' record of daily attendance;
If the pupil is enrolled in a program of distance education, the information required by subsection 2 of NAC 387.193; and
The ethnic group or race to which the pupil belongs.

The Distance Education Class Record Book shall include the following information from the school's software platform:

Pupil's name;
Pupil's grade and any applicable special category to which the pupil is assigned;
Pupil's time on task in his computer for each class per day (daily attendance);
Grade earned by period and final grade for each class;
Dates of enrollment, reenrollment, and withdrawal of the pupil from the class; and
Teacher.

The Pupil's Schedule of Distance Education Classes shall include the following information from the pupil's computer from the school's software platform:


Name;
Date; and
Schedule of classes/with time on task from each class per day.

17. Grades Served: The Charter School shall serve grades K-12 only, unless the Written Charter is amended by Charter School Governing Body action and Authority action.

18. Compliance with Federal Requirements for Asbestos Management in Schools. The Charter School agrees to pay all costs related to compliance with federal requirements for asbestos management in schools.

19. Facility Lease or Purchase. The Charter School agrees to refrain from entering into any facility lease or purchase agreement without including a term that any provision of the lease or purchase agreement that is not in compliance with applicable law and regulation shall be void or voidable or a provision that the contract is subject to regulatory review the Authority to ensure the proposed lease or purchase agreement is in compliance with applicable law and regulation.

IN WITNESS WHEREOF, the Parties have executed this Agreement.



President, Charter School Governing Body

Please print the President's name: Jamie Castle

Date: May 21, 2013

Kathleen A. Conaboy

President, Nevada State Public Charter School Authority

Date: 5-30-2013_____

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EXHIBIT 2

EXHIBIT 2

[Main Menu](#) > [Budget Status Report Input](#) > [Budget Account List](#) > [Summary Budget Status Report](#) > [Obligations](#) > [Select Date Range](#) > [Category Object Totals](#) > [Select Date Range](#) > [Object Transaction Detail](#)
 REPORT DATE AS OF: 11/08/2016
 PROC ID: BSR_OBJECT_DETAIL

STATE OF NEVADA
Office of the State Controller

Budget Status Report - Transaction Detail for Selected Object

Fiscal Year: 2016 **Fiscal YTD Obligated :** 20,757,472.00

Fund: 101 GENERAL FUND

Budget Account: 2610 DISTRIBUTIVE SCHOOL ACCOUNT

Category: 15 DSA BASIC AID TO SCHOOLS

Object: 8623 CHARTER-NEVADA CONNECTIONS

Transaction Detail Date Range

From: 01/01/2010 **To:** 11/09/2016

Doc Number	Date	Amount	Acct Type	Ref Doc Number	Vendor Number	Vendor Name
<u>PV 300</u> 00001437295	07/28/2015	1,032,997.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
<u>PV 300</u> 00001438108	07/31/2015	445,800.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
<u>PV 300</u> 00001444030	08/27/2015	1,479,657.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
<u>PV 300</u> 00001450991	09/29/2015	1,479,423.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
<u>PV 300</u> 00001457061	10/27/2015	1,505,770.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
<u>PV 300</u> 00001462890	11/24/2015	1,587,835.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
<u>PV 300</u> 00001468673	12/28/2015	1,508,403.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
<u>PV 300</u> 00001474613	01/27/2016	1,670,153.00	22		T27016697	NEVADA CONNECTIONS ACADEMY

<u>PV 300</u> <u>DSA00000037</u>	02/26/2016	2,083,572.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
<u>PV 300</u> <u>DSA00000079</u>	03/29/2016	1,652,921.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
<u>PV 300</u> <u>DSA00000133</u>	04/26/2016	1,829,274.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
<u>PV 300</u> <u>DSA00000180</u>	05/26/2016	2,270,765.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
<u>PV 300</u> <u>DSA00000222</u>	06/28/2016	1,828,229.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
<u>PV 300</u> <u>DSA00000353</u>	08/31/2016	382,673.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
Total for Account	Type 22	20,757,472.00				
Total Obligations		20,757,472.00				

[Return to Selection Screen](#) [Download the Report](#)

Attorney General's Office
100 N. Carson Street
Carson City, Nevada 89701-4717

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EXHIBIT 3

EXHIBIT 3

[Main Menu](#) > [Budget Status Report Input](#) > [Budget Account List](#) > [Summary Budget Status Report](#) > [Obligations](#) > [Select Date Range](#) > [Category Object Totals](#) > [Select Date Range](#) > [Object Transaction Detail](#)
 REPORT DATE AS OF: 11/08/2016
 PROC ID: BSR_OBJECT_DETAIL

STATE OF NEVADA
Office of the State Controller

Budget Status Report - Transaction Detail for Selected Object

Fiscal Year: 2017 **Fiscal YTD Obligated : 7,408,686.00**

Fund: 101 GENERAL FUND

Budget Account: 2610 DISTRIBUTIVE SCHOOL ACCOUNT

Category: 15 DSA BASIC AID TO SCHOOLS

Object: 8623 CHARTER-NEVADA CONNECTIONS

Transaction Detail Date Range
From: 01/01/2010 To: 11/09/2016

Doc Number	Date	Amount	Acct Type	Ref Doc Number	Vendor Number	Vendor Name
PV 300 DSA00000276	07/27/2016	1,908,282.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
PV 300 DSA00000319	08/29/2016	1,907,831.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
PV 300 DSA00000394	09/27/2016	1,907,831.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
PV 300 DSA00000460	10/25/2016	1,684,742.00	22		T27016697	NEVADA CONNECTIONS ACADEMY
Total for Account	Type 22	7,408,686.00				
Total Obligations		7,408,686.00				

[Return to Selection Screen](#) [Download the Report](#)

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EXHIBIT 4

EXHIBIT 4

BRIAN SANDOVAL
Governor

STATE OF NEVADA

PATRICK GAVIN
Executive Director



STATE PUBLIC CHARTER SCHOOL AUTHORITY

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

September 30, 2016

Ms. Jafeth Sanchez, Board President
Nevada Connections Academy
555 Double Eagle Ct., #2000
Reno, NV 89521

VIA Electronic Mail and Certified Mail
Return Receipt Requested

Re: Notice of Intent to Revoke Written Charter

Dear Ms. Sanchez,

At the September 23, 2016 meeting of the State Public Charter School Authority Board, the Board received an update regarding the proposed charter contract with terms previously approved by the Authority. After update and discussion, the Board directed staff to issue this Notice of Intent to Revoke the Written Charter of Nevada Connections Academy ("Notice of Intent") based on having a graduation rate for the preceding school year that is less than sixty (60) percent. This Notice of Intent is issued pursuant to NRS 388A.330(2).

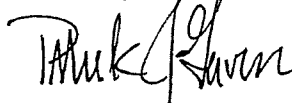
- 1) The deficiencies or reason upon which the action of the sponsor is based is Nevada Connections Academy's graduation rate for immediately preceding year being below sixty (60) percent as required by NRS 388A.330(1)(e). The graduating cohort of 2015 as defined by NAC 389.0246 is 35.63%.
- 2) Pursuant to NRS 388A.330(2)(b), the school has at least thirty (30) days within which to correct the deficiencies. The first day of this period is October 3, 2016. The date by which the school must have completed all efforts to correct these deficiencies is December 2, 2016.
- 3) At its December 16, 2016 meeting, the SPCSA Board will make a determination regarding whether Nevada Connections Academy has corrected the deficiencies. The Board will make this determination during a public hearing held pursuant to subsection 3 of NRS 388A.330.
- 4) At its December 16, 2016 meeting, the SPCSA Board will hold a public hearing to consider whether to reconstitute the governing body, or revoke the written charter. The SPCSA Board will make this determination during a public hearing held pursuant to subsection 3 of NRS 388A.330.
- 5) Any action revoking the written charter, if approved by the SPCSA Board, would be effective no sooner than the end of the 2016-17 academic year.

Jafeth Sanchez
Page 2
September 30, 2016

- 6) Any action reconstituting the governing body, if approved by the SPCSA Board, could be effective immediately.

This letter serves as the school's formal Notice of Intent under NRS 388A.330(2). Nevada Connections Academy and the Authority staff must exchange any written or documentary evidence they wish to be considered by the Authority by no later than 5 pm Pacific Time on December 2, 2016. Nevada Connections Academy should submit its documentation to the Authority via Epicenter. Pursuant to applicable law, the school will have the opportunity during the statutorily mandated periods as stated herein to correct the issues state in this Notice of Intent which have prompted this action.

Sincerely,



Patrick J. Gavin
Executive Director

EXHIBIT 5

Attorney General's Office
100 N. Carson Street
Carson City, Nevada 89701-4717

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EXHIBIT 5

REGULAR MEETING
VIDEO CONFERENCED

Friday, March 22, 2013
9:00 a.m.

-AGENDA-

The public is hereby noticed that the Nevada State Public Charter School Authority reserves the right to take agenda items out of posted order, with the exception of public hearings, and items may be pulled or removed from the agenda at any time and items may be combined for consideration. A time for public comment is provided at the beginning and at the conclusion of the meeting. Time limit: A time limit (three minutes) will be imposed by the Authority Chair on public testimony in order to afford all members of the public who wish to comment an opportunity to do so within the timeframe available to the Authority. The Authority Chair reserves the right to call on individuals from the audience or to allow for testimony at any time. Individuals providing testimony should fill out a Visitor Card, which will be numbered in order received by the Authority Assistant.

Call to order; Roll Call; Pledge of Allegiance (Kathleen Conaboy, SPCSA Chair)

1. Public Comment. (Public comment pursuant to this item should be limited to items listed on the agenda.)
2. Approval of January 8, 2013 Meeting Minutes (Kathleen Conaboy, Chair)
(Information/Action)
3. Authority Update (Kathleen Conaboy, Chair) *(Information/Discussion)*
4. Director's Report (Steve Canavero, PhD, Director, SPCSA) *(Information/Discussion)*
5. Legislative Update (Steve Canavero, PhD, Director, SPCSA; Kathleen Conaboy, Legislative Liaison, Chair SPCSA; Robert McCord, Legislative Liaison, SPCSA Member; Nora Luna, Legislative Liaison, SPCSA Member)
(Information/Discussion/Action)
 - SB59
 - AB205
 - Facilities
 - Clean-up
6. Introduction of new SPCSA Business Process Analyst II Traci House, Management Analyst I Katie Higday, and Update of Student Information Systems (Steve Canavero, PhD, Director, SPCSA; Traci House, Business Process Analyst II, SPCSA; Katie Higday, Management Analyst I, SPCSA) *(Information/Discussion)*
7. Approval of Willie H. Brooks Soar Academy request for an extension of Subsection 7 per NAC 386.240(1)(Tom McCormack, Education Program Professional, SPCSA)
(Information/Discussion/Action)
8. Overview of the Authority's monitoring for the 2013-2014 School year (Steve Canavero, PhD, Director, SPCSA) *(Information/Discussion)*

9. Presentation concerning the Authority's proposed Performance Framework (Steve Canavero, PhD, Director, SPCSA; Tom McCormack, Education Program Professional, SPCSA; Brian Flanner, Administrative Services Officer, SPCSA; Katherine Rohrer, Education Program Professional, SPCSA) *(Information/Discussion/Action)*
 - Academic
 - Financial
 - Organizational
10. Nevada Connections Academy Charter Renewal (Steve Canavero, PhD, Director, SPCSA; Representatives of Nevada Connections Academy) *(Information/Discussion/Action)*
11. Quest Academy Update (Spencer Gunnerson, Board President, Quest Academy) *(Information/Discussion)*
12. Presentation and possible adoption of the Authority Strategic Plan (Steve Canavero, PhD, Director, SPCSA) *(Information/Discussion/Action)*
13. Charter Schools Association of Nevada Update (Dr. Jim LaBuda, Charter School Association of Nevada) *(Information/Discussion)*
14. Presentation by Silver Sands Montessori Charter School (Representatives of Silver Sands Montessori) *(Information/Discussion)*
15. Member Comment *(Information/Discussion)*
16. Public Comment. (Public comment pursuant to this item may be on any topic, principally those related to the Nevada State Public Charter School Authority.)
17. Next meeting date: May 31, 2013 with recommendation to move meeting to June *(Information/Action)*
18. Adjournment *(Action)*

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EXHIBIT 6

EXHIBIT 6

NEVADA STATE PUBLIC CHARTER SCHOOL AUTHORITY

March 22, 2013

Department of Education
700 East Fifth Street
Board Conference Room
Carson City, Nevada

And

Department of Education
9890 South Maryland Pkwy
Second Floor Conference Room
Las Vegas, Nevada

MINUTES OF THE REGULAR MEETING
(Video Conferenced)

AUTHORITY MEMBERS PRESENT:

In Las Vegas:

Kathleen Conaboy
Elissa Wahl
Marc Abelman
Nora Luna
Melissa Mackedon
Michael Van
Robert McCord

In Carson City:

None

AUTHORITY MEMBERS ABSENT:

None

AUTHORITY STAFF PRESENT:

In Las Vegas:

Steve Canavero, Director, State Public Charter School Authority
Katherine Rohrer, Education Program Professional, State Public Charter School Authority
Traci House, Business Process Analyst II, State Public Charter School Authority

In Carson City:

Tom McCormack, Education Program Professional, State Public Charter School Authority
Angela Blair, Education Program Professional, State Public Charter School Authority
Allyson Kellogg, Management Analyst, State Public Charter School Authority
Katie Higday, Management Analyst, State Public Charter School Authority
Danny Peltier, Administrative Assistant, State Public Charter School Authority

LEGAL STAFF PRESENT:

In Las Vegas:

Shane Chesney, Senior Deputy Attorney General

In Carson City:

None

AUDIENCE IN ATTENDANCE:

In Las Vegas:

Jim LaBuda
Caroline McIntosh
Amanda Frazier
Jennifer Dukek
Jamie Castle
Ryan Reeves
Marlo Tsuchiyama
Patty Weakly
Danette Olmos-Green
Jason Sando
Claudia Burns
Wendi Hawk
Richard Moreno
Debra Roberson
Shelley Kloos
Melissa Hester
Margo Tolman
Katie Pellegrino
Ercan Aydogdu
Nick Sarisahn
A,my Zeiders
Elizabeth Dixon
Tami Bass
Kimberly Rushton
Shayne Sheehy
Orlando Dos Santos
Danny Diamond
April Taggert
Tonya Strozier
John Hawk

In Carson City:

Donna Wix
Eugene Paslov

CALL TO ORDER; ROLL CALL; PLEDGE OF ALLEGIANCE; APPROVAL OF AGENDA

Chair Conaboy called the meeting to order at 9:01a.m. with attendance as reflected above.

Chair Conaboy called for a motion for a flexible agenda.

Member McCord moved for approval of a flexible agenda. Member Abelman seconded. The motion carried unanimously.

Agenda Item 2 – Approval of January 8, 2013 SPCSA Board meeting minutes

Member McCord asked that the minutes be updated to include him on the attendance sheet. Chair Conaboy noted the vote for the approval of American Preparatory Academy Subsection 7 charter was not a unanimous vote.

Member McCord moved to approve the January 8, 2013 minutes. Member Mackedon seconded. The motion carried unanimously.

Agenda Item 1 - Public Comment

Wendi Hawk, Chief Academic Officer Nevada State High School addressed Agenda Item 5 regarding section 3 of AB205, which includes the performance framework and also made a formal request for information from the Director Authority. She listed her concerns with the bill and submitted that list to be included in the record. The list of concerns can be found as an attachment to these minutes.

John Hawk, President of CSAN and Director of Nevada State High School presented and passed out a survey that was conducted with the members of the Charter School Association of Nevada and other interested parties. 18 out of the 31 charter schools in Nevada responded to the survey which can be found as an attachment to these minutes.

Agenda Item 14 – Presentation by Silver Sands Montessori Charter School

Director Canavero began by giving a short background of Silver Sands Montessori Charter School. He said that Silver Sands is a great school. He also said that Silver Sands is a great model for the State of Nevada and it shows the success that charter schools can have in Nevada.

Marlo Tsuchiyama, Director of Silver Sands Montessori, Jared Sando, Student Council Treasurer, and Sebastian Balmer, Student Council Vice President spoke on behalf of Silver Sands Montessori. Ms. Tsuchiyama thanked the Authority for inviting there school. Ms. Tsuchiyama also introduced Patti Weakly, Silver Sands Principal and Danette Olmos-Green, Director of Operations at Silver Sands. Ms. Tsuchiyama detailed the growth that Silver Sands had undergone since opening in August 2009. They went from a K – 5 in their first year of operation to K – 8 today. She also detailed the hard work and dedication of all the staff and parents over the 4 years that made Silver Sands Montessori a success. She said the school was awarded a start-up grant worth a little over \$200,000 to help pay for classroom materials, professional development, and other necessities of the school. She then detailed the style of the Montessori learning they employ at Silver Sands. Peace is a large part of the daily curriculum and the school provides different outlets for the students to calm down during stressful moments and refocus on the task at hand. Jared Sando and Sebastian Balmer then presented some of their experiences at Silver Sands and the uniqueness of the school.

Agenda Item 3 – Authority Update

Chair Conaboy noted the two documents that were included in the Support Doc prior to the meeting. The first document, iNvest report, which is the Nevada School Superintendents' legislative agenda, and the 2013 Education Programs, was authored by the Nevada Department of Education and gives background, statistics, and other information regarding Nevada's schools. Chair Conaboy also said that she and Director Canavero had been spending a lot of time at the Legislature, and they have been having very productive meetings with legislators regarding proposed charter school statue revisions and additions.

Agenda Item 4 – Director’s Report

Director Canavero began by explaining some of the changes to the 2013 charter school application. It is now called the “2013 Call for Quality Charter Schools” and it prescribed the contents of the application for new charters to form in the state. He also said that the SPCSA had been working in conjunction with the Charter School Association of Nevada (CSAN) to provide technical assistance to build the capacity of potential Nevada charter school applicants.

Director Canavero also said that he had just finished writing a grant to the National Governors Association, which explores some of the legal issues around the construct of the Authority. He said he will bring more information to the Authority regarding the grant as it becomes available.

Director Canavero finished his report by pointing out that he was very fortunate to have been able to visit Coral Academy of Science Las Vegas. He stressed that he believes he, along with other SPCSA staff, should make more of an effort to visit the charter schools in person. He said that is a wonderful reminder of the fantastic work that the Authority is doing and it is inspiring to see the schools succeed.

Agenda Item 5 – Legislative Update

Director Canavero along with legislative liaisons Conaboy, Luna and McCord began the discussion with the news that the Charter School Revolving Loan Account is proposed to be funded for the first time in its existence. The Governor is calling for \$750,000 to be set aside for charter schools that are in need of low interest loans to help with operations.

Director Canavero also explained SB59, which is Clark County School District’s bill that would allow charter schools to use district facilities during normal business hours. Director Canavero said that the SPCSA had proposed an amendment that would define the policies that the Board of Trustees would implement during this process.

Agenda Item 6 - Introduction of new SPCSA Business Process Analyst II Traci House, Management Analyst I Katie Higday, and Update of Student Information Systems

Director Canavero introduced Traci House and Katie Higday as new employees of the SPCSA. Traci House was hired as the Business Process Analyst II and will be charged with running the SPCSA’s Powerschool service for the SPCSA-sponsored schools. Ms. House also discussed some of the cost savings associated with having the SPCSA run all of the school’s Powerschool systems.

Katie Higday was hired as the Management Analyst I and will be charged with overseeing the SPCSA operations calendar, AOIS monitoring, Annual Performance Audits, and SPCSA Internal controls.

Agenda Item 7 – Approval of Willie H. Brooks Soar Academy request for an extension of Subsection 7 per NAC 386.240(1)

Tom McCormack, SPCSA Education Program Professional, gave the Authority the history of the Willie H. Brooks Soar Academy’s (Soar) approval of the Subsection 7 charter and the reason they were in need of an extension. Soar had difficulties in acquiring a facility for the school, but had begun to make headway with acquisition of a facility. The Subsection 7 charter they currently held was going to expire before the deal on the facility would be finalized. Mr. McCormack said that it was the recommendation of the SPCSA for approval of Soar’s Subsection 7 extension.

Tami Bass, Committee to Form Liaison for Soar, presented to the Authority as well. She said that Soar would be the first single gender school in Nevada and would be targeting primarily at-risk youth in Clark County.

Member McCord moved for the approval of Willie H. Brooks Soar Academy request for an extension of Subsection 7 per NAC 386.240(1). Member Abelman seconded. The motion carried unanimously.

Agenda Item 8 - Overview of the Authority's monitoring for the 2013-2014 School year

Director Canavero explained the SPCSA's plan and schedule for monitoring schools during the 2013-2014 school year. Director Canavero said that charter schools that were planning to open would be monitored through the Pre-opening requirements. Charter schools in Year 1 of operation would have an Annual Performance Audit conducted which includes a site visit and full desk audit. A charter school that is in Year 2 of operation would be subject to an Annual Performance audit which includes site visits as needed and a full desk audit. Charter School in Year 3 of operation would still be subject to an Annual Performance audit with site visits as needed as well as a desk audit, but the SPCSA would present the findings to the charter school governing board at one of their meetings in order for the board to see how the school was doing at its halfway point in the charter. Year 4 and 5 charter schools would have the scope of their Annual Performance Audit dependent upon the school performance from the subsequent years. Charter schools who are in their sixth year of operation would also be scheduled for their charter renewal. Their monitoring schedule would be based on a complete renewal application, site visit, and renewal recommendation that would be reviewed and approved or denied by the Authority.

Member McCord commented that he was impressed with the schedule and pleased to see the research about charter schools that fail early on in their existence and how those types of issues would be addressed through the SPCSA's monitoring plan.

Agenda Item 11 – Quest Academy Update

Spencer Gunnerson, Quest Academy Board President, led the discussion on behalf of Quest Academy. Director Canavero informed the Authority that the Corrective Action Plan that had been issued and agreed upon by the SPCSA and Quest Academy's board after the last Authority meeting had been met and he had renewed faith in the strength and direction of the school. Mr. Gunnerson credited the hard work the entire Quest Board had put in over the course of a few months that was responsible for turning the school around. He also introduced Deb Roberson as the interim principal of Quest Academy. Ms. Roberson explained the current situation with the facility issues and where the school was at with regard to acquisition of property, academic compliance, and operations compliance going forward.

Chair Conaboy asked Mr. Gunnerson if the security concerns that the YMCA had been addressed. Mr. Gunnerson said while YMCA is a less than ideal facility for Quest Academy the board had indeed addressed the security concerns and were working to make the improvements. Chair Conaboy also asked if the subcommittees that have been set up required any changes to the existing Quest Academy bylaws. Mr. Gunnerson said that the bylaws allowed for ad hoc committees but there had been interest in making the committees permanent. If this does happen then the bylaws will have to be changed to reflect the new standing committees within Quest Academy's governing board. Chair Conaboy asked a final question regarding the communication to the parents of Quest and the outlets they have to express their concerns. Mr. Gunnerson said that it is very important to the Quest Academy Board to allow for open lines of communications with both parents and teachers. He said that meetings have been well attended and public comment has been used by parents to voice their concerns. There is also a newsletter that is being sent out by the board in order to keep parents more apprised of the current events of the school. Ms. Roberson also added that they hold weekly meetings between the administration and the teachers to allow them to voice any concerns or suggestions they may have in order to improve the learning environment at Quest Academy.

Deputy Attorney General Chesney asked Mr. Gunnerson to clarify the report that was sent to the Attorney General's office regarding the matters. Mr. Gunnerson asked that Kimberly Maxom-Rushton answer Deputy Attorney General Chesney's inquiry about the process that had been followed in reporting on the Attorney General's Office. She said she met with members of the AG's office in Las Vegas and submitted a formal request for investigation. She said an investigator had been assigned to the matter and the matter has been turned over to the Attorney General's Office. Ms. Rushton also said that the alleged inappropriate relations

between the staff member and the students that was discussed at prior meetings had been turned over to both the AG office and Las Vegas Metropolitan Police Department.

Member Wahl asked about the status of the basketball team. Mr. Gunnerson said that because of the multitude of things that had to be taken care of immediately the board has not had the opportunity to fully look into the status of the team. He said that as the more immediate concerns regarding the school has been addressed then the Quest Academy Board look into the matter more fully.

Member McCord asked that a summary of Quest Academy's reporting that has been done be entered into the record for historical accuracy of the entire process and resolution. Mr. Gunnerson agreed to submit the information to the Authority. Member McCord also requested updates from the Quest Academy Board at future meetings to see how the progress has gone. Dr. Canavero said that the letter that was sent to the Quest Board outlining the Corrective Action Plan completion already requested updates from the Quest Board on April 1, July 1 and October 1 2013.

Agenda Item 10 - Nevada Connections Academy Charter Renewal

Director Canavero began by explaining the Nevada Connections Renewal Report:

Elementary/Middle School Observations

Review of these data result in the following concerns: Math proficiency, Math Adequate Growth Percentiles, Math Median Growth Percentiles (middle school), and Math GAP

- Except for FY 2009, the percentage of students above the Annual Measurable Objective in Math is consistently negative. This means that students at the elementary/middle school level did not meet the Annual Measurable Objective set by NDE in Math for FY 2010, 2011, and 2012.
- Except for FY 2011, the percentage of students above the Annual Measurable Objective in ELA is positive. This means that students at the elementary/middle school level are meeting the Annual Measurable Objective set by NDE in ELA for FY 2009, 2010, and 2012. However, the percentage of students above the cut is decreasing.
- The percentage of students meeting adequate growth percentile in Math is above the 5th percentile but below the 25th percentile. At the elementary level, this means that out of 163 students tested only 66 students made adequate growth to proficiency. At the middle school level, this means that out of 195 students tested only 29 students made adequate growth to proficiency.
- The median growth percentile in Math for the middle school is below the 5th percentile. This means that these students are ranking at the lowest percentile when compared to like student scores in the rest of the state.
- Sub-populations for the middle school in Math are also performing at the lowest percentile rank. Out of 87 students identified as FRL, IEP, or ELL, only 9 students made adequate growth to proficiency. On the positive side, these same students performed above the 75th percentile in reading.

High School Observations

Review of these data result in the following concerns: Cohort Graduation Rate, math proficiency.

- Students at the high school level are performing at or above the 75th percentile in both reading and math when compared to like student scores in the state.

- Graduation rate is low. The 2011 grade cohort rate was 26.5%. The 2012 grad cohort rate was 36.08%. These rates are well below the annual measurable graduation rate objectives set by the state. The 2011-2012 objective was 63.91%. The 2012-2013 objective is 70.53%.
- Except for FY 2011, the percentage of students meeting the Annual Measurable Objective in Math is negative. This means the students at the high school level did not meet the Annual Measurable Objective in FY 2009, 2010, and 2012. However the trend line is moving the right direction.
- The percentage of students meeting the Annual Measurable Objective in ELA is consistently positive. This positive trend in ELA is also reflected in sub-group gap proficiency rates.

The SPCSA qualified the academic program a success.

Nevada Connections Academy should create a clear plan to support math proficiency and growth in both elementary and middle school students. Additionally, Nevada Connections Academy should focus on improving the school's graduation rate by supporting their students to graduate from high school.

Observations

Nevada Connections Academy is fiscally sound in the near term as indicated by their maintenance of adequate liquid assets to pay liabilities that will mature in the next year and the maintenance of adequate cash to pay over three average months of operating expenses. Their fiscal sustainability outlook is positive as evidenced by their ability to pay debts that mature at dates farther than a year in the future, their sustained positive profit margin over time and their positive annual cash flow.

Nevada Connections Academy's independent CPA audit reports reveal for each of the first five years of their initial charter that their financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate remaining fund information, and the respective changes in financial position in conformity with accounting principles generally accepted in the United States of America. The auditor's consideration of internal control over financial reporting did not identify any deficiencies in internal control considered to be material weaknesses.

The SPCSA determined that Nevada Connections Academy was financially sound.

Observations

Longitudinal Analysis of the Annual Performance Audit for Nevada Connections Academy 2007-2012: Identification of Significant and/or Repeat Noncompliant Findings 16, 19, 2, 7, and 10, below, are subsections of NAC 386.410, Performance audits: Report of compliance. If pupils with disabilities are enrolled in the charter school, a determination whether the provision of special educational services and programs to those pupils complies with the requirements set forth in chapters 388 and 395 of NRS and NAC 388.150 to 388.450, inclusive.

- Noncompliant for both 2007-2008 and 2008-2009 Nevada Connections Academy's Individualized Education Plan's (IEP) were monitored by the Nevada Department of Education (NDE) in 2007 – 2008. The monitoring produces findings and thus NCA was on a Corrective Action Plan (CAP) for 2008 – 2009 to correct these findings. In each case of a finding, the school provided reasonable assurance of adequate corrective action plans and submitted IEP files to NDE to prove each correction. Subsequently, NCA has not had any issues, concerns, or problems arise since their last formal Special Education monitoring. A determination whether the charter school complies with NRS 386.590 regarding the employment of teachers and other educational personnel.

- Noncompliant for both 2007-2008 and 2009-2010. Nevada Connections Academy resolved prior findings and currently reports to have 100% of their teachers meeting the Highly Qualified standard as defined under No Child Left Behind.

A determination whether the membership of the governing body of the charter school complies with NRS 386.549 and NAC 386.345, including, without limitation, whether:

- (a) The governing body consists of the number of teachers required by NRS 386.549;
- (b) A majority of the members of the governing body reside in the county in which the charter school is located; and
- (c) Each member of the governing body has filed an affidavit with the Department indicating that he or she:
 - (1) Has not been convicted of a felony or offense involving moral turpitude; and
 - (2) Has read and understands material concerning the roles and responsibilities of members of governing bodies of charter schools and other material designed to assist the governing bodies of charter schools, if such material is provided to him or her by the Department, as required pursuant to NRS 386.549.

- Noncompliant for 2009-2010

Nevada Connections Academy will submit a request to amend the Governing Board By-Laws to clarify all questions below related to board member terms, classes, and board member composition.

7. A determination whether the charter school has complied with generally accepted standards of accounting and fiscal management.

- Noncompliant for 2010-2011; deemed a “repeat finding” for the purposes of this report because it is a financial-related finding, as are those for NAC 386.410(10), below.

10. A determination whether the charter school complies with NRS 386.573 regarding orders for payment of money.

- Noncompliant for 2010-2011 and 2011-2012.

In 2010-11, a non-compliant finding with regard to whether the school had complied with generally accepted standards of accounting and fiscal management resulted from a minor issue involving receipts for cash collected. The issue was not repeated in 2011-12, when Nevada Connections Academy was compliant with the standard. While a non-compliant finding in 2010-11 regarding orders for payment of money resulted from a misapplication of the standard in the school’s Fiscal Control Manual, there was in place a viable internal controls structure to correct the minor issue. The 2011-12 non-compliant finding was very minor. In each case of a “finding”, the level of materiality appeared so low as to not raise significant concern. Additionally, the school provided reasonable assurance of adequate corrective action plans for each finding.

The SPCSA determined that Nevada Connections Academy is a viable organization.

The staff of the State Public Charter School Authority recommends Nevada Connections Academy charter be renewed based on the school’s overall academic, financial, and organizational performance.

After Director Canavero finished his testimony, Jamie Castle, President of Nevada Connections Academy’s Governing Board; Jennifer Dukek, Principal of Nevada Connections Academy; Claudia Burns, Senior Director of Education of Quality, Connections Education presented to the Authority. They gave details on the history of the school, how it had performed over the past 6 years, and where they are hoping to see the school go moving forward.

Authority member had questions for the school’s representatives after they had completed their presentation. Member Mackedon asked how many 7 – 12 graders Nevada Connections Academy has enrolled and how the teacher to student ratio relates to those grades. Ms. Dukek said there are about 500 – 600 seventh through twelfth graders and they have 12 K – 6 teachers with the remainder teaching 7 – 12 grade. Member McCord

asked why there was such a precipitous decrease between 10 and 11 grade. Ms. Dukek said there were a few factors that go into the drop. First, they just started offering 12 grade, and they also tend to see a higher percentage of middle schools students enrolling into their program, but then going back to the high school they were zoned for. Member Mackedon suggested segregating out students who had been continuously enrolled at the school in order to determine how the school is educating those children. The Authority continued their discussion on reasons for enrollment decrease from 10 to 11 grade.

Member Abelman said he was having reservations regarding the renewal of Nevada Connections Academy and asked Director Canavero if the school was serving a specific need. Director Canavero said it was the recommendation of the SPCSA staff to renew the charter and with that believed was serving an educational need. Member Abelman asked Nevada Connections Academy what their goals for graduation rates would be in the future. Ms. Dukek said it is the goal of the school to meet or exceed the average graduation rates for the state. Member Wahl also stressed the importance of inputting data correctly when reporting on different metrics in the school. Dr. Rohrer added that she believed the data would be cleaner in subsequent years and with that the graduation rate would improve.

Member McCord motioned for the approval for the term specified under statute with provisions that Nevada Connections Academy must create a clear plan for math proficiency improvements and high school graduation rates. Member Abelman seconded. The motion carried unanimously.

Agenda Item 13 - Charter Schools Association of Nevada Update

Jim LaBuda introduced himself to the Authority as the new director of the Charter School Association of Nevada. Mr. Labuda explained his vision for charter schools in Nevada and the reasons that attracted him to the state. He believes innovation is one of the best ways to improve education and that charter schools are a great way to implement these innovations. He also announced the dates and location for the 2013 Charter Schools Association of Nevada conference that is planned for late June in northern Nevada.

Agenda Item 9 – Presentation concerning the Authority’s proposed Performance Framework

Director Canavero began by giving background on the development of the frameworks for measuring outcomes at SPCSA-sponsored charter schools. He said there are three frameworks, Academic, Financial, and Organizational, and he believed the Organizational and Financial frameworks were ready for Authority approval now. He said the Academic Framework is more complicated and needs more input from parties. Director Canavero said these frameworks will be in addition to the Nevada School Performance framework and will do a better job monitoring and showing outcomes of the charter schools in Nevada. He said one of the things that had been disagreed upon with regard to the Academic Framework was the mission-specific goals being included in the Academic Framework’s measurement. Director Canavero said that he and SPCSA staff believed these goals should not be included in the Academic Framework.

Katherine Rohrer, Education Program Professional then detailed the Academic Framework and the differences between it and the Nevada School Performance Framework (NSPF). The NSPF does not include all the charter schools in its measurements because some of the schools are too small for data to be used. Dr. Rohrer said that these schools then would not receive a rating in the system and the SPCSA needs a framework that consistently measures charter schools performance across all spectrums. She then detailed the values used to shape the Academic Framework. Dr. Rohrer than explained the indicators and measures the Academic Framework would be using to monitor the schools.

Member McCord asked if requiring schools to use certain tests would be an infringement on their autonomy. Dr. Rohrer said that they had chosen the Explore ACT plan so there would be standardized data for measurement across all the schools. Director Canavero also added that it is not uncommon for a sponsor, when developing or implementing frameworks require schools to use certain tests as a condition of sponsorship. Chair Conaboy also added that during legislative hearings a constant balance that is debated is autonomy

versus accountability and how to implement the accountability of the schools without infringing on their autonomy.

Dr. Rohrer continued explaining the framework and the measures that would be used. Chair Conaboy asked Dr. Rohrer how the system would accommodate the shift to the Common Core Standards. Dr. Rohrer said there may be some small bumps, but the frameworks were being developed with that change in mind. She said that SPCSA staff will have to do a lot of groundwork to train the schools to make sure the schools are able to successfully implement the new tests. Member McCord asked if the measurement of post-secondary data would be coming from the National Student Clearinghouse. Dr. Rohrer said that all schools had agreed to use the National Student Clearinghouse and that would be the data that would be collected and measured.

Dr. Rohrer then explained the comparison measurement and how that would be integrated into the Academic Framework's measures. Member McCord said this measurement must always be used carefully because there are circumstances that may alter the measurement. Chair Conaboy asked what the comparison data tells. Dr. Rohrer explained that it can give you an idea of what the Annual Growth of a pupil would be if the charter school they were attending didn't exist. Would they be better off at their home assignment school or the charter school they are attending? She also added that while she has been gathering this data is that overall there has not been a very large gap between the home assignment schools and the charter schools. Member McCord cautioned that the measurement still makes the assumption that people who are in a similar socioeconomic situation live close together then this may not always be the case.

Dr. Rohrer explained that after all the indicators have been measured, those measurements must be given a total score. She explained how the scores would be given and what those scores meant along the spectrum of failure to success of a charter school.

Director Canavero said his goal for this framework and its completion was to take the current framework back to the schools for their review. After they have had their input he said he would like to present the final Academic Framework at the SPCSA meeting in June. Then in September the framework could be implemented for all of the SPCSA-sponsored schools.

Member Wahl asked how the comparisons were being made. Dr. Rohrer said that she looked at the home addresses of the pupils to determine their home school. Chair Conaboy asked Director Canavero exactly what he felt was not ready with the academic model that had been presented. Director Canavero said that the inclusion or deletion of the mission-specific goals had been an item that was still up for debate. As the Director had mentioned earlier, it was the belief of the SPCSA that mission-specific should be left out of this model because it is included in other measures the state uses. Chair Conaboy followed up by asking how the NSPF accommodates the alternative schools. Dr. Rohrer said that the NSPF uses the Average Daily Attendance as a stop-gap and there is language that allows the NSPF to use the mission-specific goals in the measurements. Director Canavero also added that the SPCSA recognizes that the frameworks do not accommodate all educational models. He said there must be an alternative measurement that takes into account the uniqueness of these schools and measures them in a more accurate and effective way.

Brian Flanner, Administrative Services Officer, then presented the Financial Framework. He explained that the financial measurements were nowhere near as complex as the academic measurements that would be used. The framework uses basic financial principles to measure the financial health and future of a given charter school. Chair Conaboy asked that Mr. Flanner to clarify what the review was based on. Mr. Flanner explained the financial data would originate from the Annual Independent Audit each charter school is required to do, which would also cut the amount of time the state auditors would need to spend auditing the charter schools. Mr. Flanner also addressed terminology within the framework and clarified that where the term profit was used, it should have been yearend surplus, and that terminology would be changed in the final draft.

Chair Conaboy asked how lost investments would show up on the framework. Mr. Flanner said the lost investment would show up in a few places in the framework and if the reviewer had no inclination that something was financially wrong, the framework would point out that something was wrong.

Member McCord asked how off-balance sheet charges would be measured. Mr. Flanner said he was unaware of a ratio that was currently measuring that, but he was in contact with the various CPA's and would ask clarify that consideration.

Tom McCormack, Education Program Professional, then explained the Organizational Framework. Mr. McCormack began by saying the purpose of the Organizational Framework was to monitor compliance of the school with the terms and conditions of its charter including compliance with statues and regulations applicable to charter schools. Violations of the terms and conditions of the charter would be deemed a violation of the terms of the contract and may require further action by the charter school's sponsor. The source of the Organizational Framework is the requirements of NAC 386.410, which is the Annual Performance Audit and national best practices models of organizational frameworks. Mr. McCormack then detailed the criteria which the schools Organizational Framework would be measured.

Chair Conaboy asked if the Organizational Framework would be where the mission-specific goals of the schools would be measured. Director Canavero said the framework would measure if the school is living up to the mission they laid out in the charter contract. Chair Conaboy added that the SPCSA's technical assistance needs to be included somewhere within the Organizational Framework. Director Canavero said that the SPCSA can and will provide models that can assist school's with best practices and help them adopt policies that will make them a successful school. Member Abelman asked how governance issues would be dealt with if there is only a one-time audit of the school. Director Canavero said that is a tricky question because you must find the balance between accountability and autonomy. Director Canavero feels if we can strengthen governing boards, it would strengthen the entire school and allow them to remain autonomous in their operations. Member Van added that the frameworks all must hold schools accountable, but there is a need for flexibility within the framework to take into account schools that are different from a typical public school.

Chair Conaboy moved the discussion to which frameworks the Authority would be taking action on during this meeting. Director Canavero asked for the Authority's opinion if the framework was giving appropriate deference to a school's mission-specific goals by removing them from the framework, but ensuring that the goals will always remain in the charter. Chair Conaboy said that she feels that we aren't actually removing the mission-specific goals from the schools. It was her impression that the frameworks are the metrics that are being used to measure the success of the school and the mission is what is driving the whole enterprise. Member McCord commented that the frameworks must not add undue burden to the schools.

Member McCord moved for the approval of the Financial and Organizational Frameworks and approval of the timeline set forth in the Academic Framework and staff presenting the Academic Framework with more data at the next Authority meeting. Member Abelman seconded. The motion carried unanimously.

Agenda Item 12 - Presentation and possible adoption of the Authority Strategic Plan

Director Canavero explained the process that had been undertaken in the development of the SPCSA's Strategic Plan. He explained the various focus groups with schools, boards, and other interested parties. He pointed out a few changes that had been made to the plan after they had discussions with him prior to the day's Authority meeting. The Authority and Director Canavero went over some of the word changes they wanted to see. Member McCord said he would like to see the autonomy of the Authority clearly stated within the Strategic Plan of the Authority. All the changes suggested were very minor. Member Mackedon added that she felt really confident and proud that the ideas and concerns that came up during the focus groups were included in the strategic plan.

Member McCord moved for the approval of the Strategic Plan with flexibility given to the Chair and the Director to make the changes that were discussed. Member Van seconded the motion. The motion carried unanimously.

Agenda Item 16 – Public Comment

Ryan Reeves, manager of Academica Nevada addressed the Authority in support of Agenda Item 5 regarding the legislative agenda. He said that he had been working closely with Senator Hammond to propose bill language that would be considered fair by all parties involved.

Member Mackedon moved for adjournment. Member Abelman seconded the motion. The motion carried unanimously.

The meeting was adjourned at 4:29 p.m.



Public Testimony

Date: 3/22/2013 Page 1 of 2
State Public Charter School Authority Meeting

Testimony by Dr. Wendi Hawk

Germane to Agenda ITEM 5 and ITEM 9

Madame Chair and Members of the Board. For the record, my name is Wendi Hawk the Chief Academic Officer of Nevada State High School (NSHS). My purpose is two prong including: 1) offering input on item five regarding proposed legislation of AB 205 and 2) making a formal request for information from the Director of the State Public Charter School Authority (SPCSA).

Input on Agenda Item 5

I offer input on item five specifically AB 205 and Section 3 of the bill regarding the performance framework. The basis for my input comes from serving on the SPCSA framework committee since its inception, working over nine years from a public charter school's perspective dealing with state accountability measures, and representing Nevada with the National Alliance for Public Charter Schools Masters series where performance frameworks from around that nation have been reviewed, revised, and analyzed in depth.

At this time, I support the development of a performance framework away from legislation that helps create clear standards as a way to measure school performance in the areas that include, but are not limited to operations, finances, academics, and governance. I am asking that the Authority join Nevada State High School in supporting the striking of Section 3 of AB 205 and develop this framework under the provisions of the Authority's policy, procedures, and practices. Use this as an opportunity to separate the sponsorship of the Authority and meet the intended purpose of its values: defensible, transparent, sensitive, accurate, clear, multi-dimensional, actionable, and continuous improvement.

It is my understanding that the intent of the law was only the provision that a framework shall exist, but with so many detailed specifics and unanswered questions already outlined in the law, it is simply not ready. Specifically for the high schools, there are gaps in the data collection that still remain unanswered and have no clear resolutions nearly a year after framework development began.

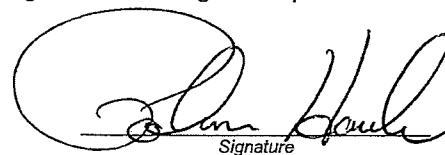
Request for Information

On or before Monday, 4/1/2013, NSHS is making a formal request for information from the State Public Charter School Authority to formulate and detail complete responses to the following:

1. Why is this Performance Framework necessary in the law and not dealt with at the sponsoring level?
2. Does the Authority Board have the right to make policies and procedures to establish expectations and/or guidelines for charters?
3. Will schools have an opportunity to see example templates of what their schools will look like with the Performance Framework applied before being brought to vote in the legislature?
4. What is the time commitment at the school level to manage all aspects of the Performance Framework?
5. What is the time commitment at the Authorizing level to manage all aspects of the Performance Framework?


Signature
Dr. Wendi Hawk, Chief Academic Officer
233 N. Stephanie Street
Henderson, NV 89074

3/22/13
Date


Signature
Dr. John Hawk, Chief Operations Officer
233 N. Stephanie Street
Henderson, NV 89074

3/22/2013
Date

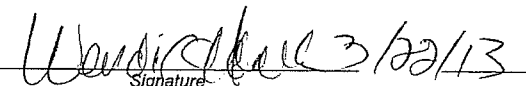


Public Testimony

Date: 3/22/2013 Page 2 of 2
State Public Charter School Authority Meeting

6. How will the results of the Performance Framework impact the schools? What portion of the categories will result in shut down or is it an overall score, etc.?
7. What is the cost analysis on the schools for supplies and for staffing to implement?
 - a. Including, but not limited to: fiscal impact, man hours, resources, professional development
8. What is the cost analysis for the sponsoring agents and will the cost be passed on to the schools?
 - a. Including, but not limited to: fiscal impact, man hours, resources, technical support
9. How will implementation of the Performance Framework impact the fees collected by sponsors?
10. Explain to what extent the Authority will be responsibility to help in the development and improvement of schools?
11. How has the Authority moved from a position of compliance monitor to a performance manager with the development of the Performance Framework?
12. How will the Authority ensure the Performance Framework will not impact school autonomy?
13. How will the Performance Framework work to include the measurement of the school's fidelity toward mission?
14. When will results of the Performance Framework be disseminated to schools for performance improvement?
15. How will the Authority ensure feedback is taken by the schools and implemented prior to moving forward?
16. What is the plan to allow students the ability to retest to eliminate any Type-II errors: Reason - the proficiency exams allows for seven opportunities to retest to pass - Will student have the opportunity to retest to improving EXPLORE or PLAN scores?
17. What is your plan and timeline to clean up missing areas in the Framework that are mandated to be measured such as workforce readiness?
18. What is the plan to include exceptions to data requirements that hurt schools that is out of school control such as return rate when the family moves or a religious mission for first semester enrollment into college after high school graduation?
19. How will mandating each measurement in the law allow for the questionable or unknown criteria of the framework to be changes, adapted, or removed if these portions of the law prove to be ineffective, unreliable, and have nothing to do with student achievement or the performance of schools?
20. What is the Authority's plan to maintain the legal requirements of the Annual Performance Audit and implement the new legal expectations of the Performance Framework without burdening the school's and themselves?
21. If AB 205 passes as written on 3/22/2013, what are the milestones and timeline for implementation by the SPCSA, including but not limited to: testing, data gathering, school labeling (rating), etc.?

The purpose of this request is to collect data to address concerns that Nevada State High School has regarding the SPCSA supporting AB 205 Section 3 in law. NOTE: Many of these questions and attempts at gathering input have been asked to the Authority during phone sessions open to all public charter schools. Some of these questions and others have lacked the necessary clarity and specificity for Nevada State High School. The school is asking for a response to these questions come as one response reviewed by the Director of the Authority and sent electronically on or before Monday, April 1, 2013 to whawk@earlycollegenv.com.


Signature
Dr. Wendi Hawk, Chief Academic Officer
233 N. Stephanie Street
Henderson, NV 89074
Date


Signature
Dr. John Hawk, Chief Operations Officer
233 N. Stephanie Street
Henderson, NV 89074
Date

Charter School Association of Nevada – Resolution # 002

A Resolution of the Charter School Association of Nevada (CSAN) Board of Trustees (The Association) - Urging the Governor, Legislators, Public Officials and Charter School Sponsors to Support Positive Legislative Efforts Giving Freedom and Flexibility to Public Charter Schools, Establishing Clear Language to Support Schools Unique Missions, and Eliminating Duplicative Efforts for Sponsors that Takeaway Valuable Resources from Technical Support for the term of the 77th Nevada Legislative Session over the next two to three months.

WHEREAS, The support of positive legislative efforts matter to more than 32 public charter schools and the education of more than, 18,000 elementary/middle/secondary charter school students, and 2.5 million residents in Nevada; and

WHEREAS, The term “*support positive legislative efforts giving freedom and flexibility to public charter schools, establishing clear language that supports public charter schools unique missions, and eliminating duplicative efforts for sponsors that takeaway valuable resources from technical support*” are the efficacies around the charter school movement in Nevada which sees public charter schools open and built on limited budgets that demand efficient and effective use of resources and a passion to stay mission focused on language that allows each freedom and flexibility; and

WHEREAS, Charter schools are given the freedom and flexibility to operate independently in exchange for higher accountability when showing support for positive legislative efforts that are built within a system that assists, develops, guides, monitors, and supports schools to independence and resourcefulness – to preserve the mission of each school while allowing for growth, development, and innovation towards solutions that meet the needs of Nevada’s students; and

WHEREAS, Educational reform efforts provide quality standards showing value to the business community with students that are college and career-ready; and

WHEREAS, Now, therefore, be it

RESOLVED, this 21st day of March, 2013, by the Board of Trustees, Charter School Association of Nevada, that during the next two to three months for the term of the 77th Nevada Legislature support positive legislative efforts giving freedom and flexibility to charter schools, establishing clear language that supports charter schools unique missions, and eliminating duplicative efforts for sponsors that takeaway valuable resources from technical support.

PASSED, APPROVED AND ADOPTED this twenty-first day of March 2013.

CHARTER SCHOOL ASSOCIATION OF NEVADA



John Hawk, President

7. Comments

- the Authority provided a friendly amendment to SB59 with the intent to ensure transparent and fair opportunities for charter schools to occupy district facilities. Available on Neils. Members of Senate Ed asked for follow-up meetings.
 - not sure of the appropriateness of deliverables and technical support expectations within a contract. Certainly a good idea to articulate technical support that schools can count on from sponsor.

9. Charter schools are designed to be held to a higher level of accountability in exchange for more freedom. Most of these proposed bills suggest implementing legislative restrictions that will limit charter schools to a one-size-fits-all model rather than emphasize the individual missions and unique approach each school takes to education. The ideas in most of these bills can be accomplished at a local or authorizing level, and it appears that the staff and board members who are supposed to be supporting charter schools are displacing their responsibility to govern onto the State Legislature. The Authority can have a performance contract and a performance framework, but they should do so in an open, transparent, stable, and clear manner that they take responsibility for – not the legislature. The message to the Authority is to do their job as advocates for charter schools rather than hiding behind unnecessary and restricting bills. The Authority should be defending against ANY legislation that intrudes into the freedoms for charters and instead only support those bills that promote more positive growth and opportunities for successful charter schools and their students.

Wed, Mar 20, 2013 2:01 PM

10. Eliminate performance framework from AB 205

Wed, Mar 20, 2013 1:50 PM

11. I support all of the concepts and ideas present in the current legislation. The performance framework legislation is still being tweaked, and how those details are resolved and implemented is, of course, critical to determining the level of support for the bill. Nevertheless, I support the concept and hope it is implemented in a manner that is efficient and effective.

Wed, Mar 20, 2013 1:26 PM

25 responses per page

answered question	11
skipped question	20

6. Please identify any clean-up language you would recommend in any of the bills.

17. see comments	Wed, Mar 20, 2013 2:18 PM
18. I don't have any at this time.	Wed, Mar 20, 2013 2:04 PM
19. None	Wed, Mar 20, 2013 2:01 PM
20. Allow schools directory information	Wed, Mar 20, 2013 1:50 PM
21. I would request that the nature of charter schools be kept in mind for all bills. While I appreciate accountability and mandatory reporting, I don't like having a sponsor who may not approve of charter schools be the deciding factor for what a high performing charter school should be. I think we need to be true to some extent to the autonomy of charter schools without all of our terms of freedom being removed.	Wed, Mar 20, 2013 1:28 PM
22. "	Wed, Mar 20, 2013 1:26 PM
23. looks good	Wed, Mar 20, 2013 12:53 PM
24. AB205 should include language that allows for the mission and the vision of the school to be recognized as a large part of the performance framework. It should also allow for flexibility to allow charters to celebrate what they are doing for at risk/all students and not act as a penalizing method for those students who are not receptive to supports.	Wed, Mar 20, 2013 12:31 PM

25 responses per page

answered question	24
skipped question	7
Hide replies	
answered question	11
skipped question	20

7. Comments

Response	Count
answered question	11
skipped question	20

25 responses per page

7. Comments

1. We support question number 4, but are having trouble locating it in a bill. Will you please give us direction on this?

Thu, Mar 21, 2013 10:29 AM

2. SB394 -Clarification about the facilities financing portion of this bill... Does this apply to all charters or just Authority charters?

Thu, Mar 21, 2013 9:39 AM

SB205 - We support moving towards a performance based system versus compliance, however the compliance issues we have going away with this. The issue of monitoring a charter for compliance could be clearly detailed so there is an opportunity for technical support prior to monitoring and then define how compliance is determined (i.e. document review, site visit, random on-site requests for documents, etc.). It seems the issue of compliance monitoring differs from school to school.

The language details too much about what the performance framework should entail without room for negotiation based on the school model which is unique to each school. Since every charter is unique in their model, the framework should allow for flexibility in the model and points awarded for meeting the model as stated in the charter. For example, one of the program components of my school is designed to develop data-based personal learning plans. The framework could allow for some measure to analyze whether or not we are implementing this program component. In addition, schools who serve at-risk students based on the state definition of at-risk should be measured on how they are addressing such at-risk needs. Language should be added to tailor the framework according to these items and have those items weigh in on the final score which includes proficiency, growth and attendance.

Lots of talk about "proficiency". No language on what determines proficiency and how confidence intervals should be used as they are a statistical safeguard to ensure data is valid and reliable (confidence intervals have been eliminated in the most recent performance framework).

25 responses per page

answered question	11
skipped question	20

5. Do you support legislation...	YES	NO	UNSURE	Rating Count
...eliminating restrictions on times during which a charter school may use school buildings owned by a school district?	91.7% (22)	0.0% (0)	8.3% (2)	24
...allowing employees, members of a committee to form, or members of a governing body of a public charter school preferential treatment to enroll their child rather than the being subject to a lottery?	83.3% (20)	8.3% (2)	8.3% (2)	24
...having sponsors assemble a team of reviewers who possess the appropriate knowledge and expertise with regard to the academic and operational experience of a public charter school to review and evaluate the application of a new public charter school?	91.7% (22)	4.2% (1)	4.2% (1)	24
...incorporating in a public charter school contract stating the deliverables and technical support expectations of a sponsor to a public charter school in return for their sponsorship fee?	66.7% (16)	12.5% (3)	20.8% (5)	24
...developing a public charter school contract between a sponsor and the charter school that describes administrative relationship between the sponsor of the charter school and the governing body of the charter school, including,	62.5% (15)	16.7% (4)	20.8% (5)	24
		answered question		24
		skipped question		7

5. Do you support legislation... without limitation, the rights and duties of the sponsor and the governing body?	41.7% (10)	29.2% (7)	29.2% (7)	24
...creating a performance framework from each public charter school sponsor for the purpose of developing clear standards that will address academic achievement, proficiency of pupils, academic disparities of pupils, rate of attendance, percentage of pupils who reenroll, financial condition and sustainability, rates of graduation, preparation of for post-secondary education, career, and college readiness?	95.8% (23)	0.0% (0)	4.2% (1)	24
...exempting public charter schools from local ordinances that mandate improving landscape, contributing to cost of road and sidewalk improvements, requiring to pay for zoning fees, paying for additional inspection fees for being a school, imposing restrictions on school location, or using tax-exempt status as a factor regulating against locating a school on a property?				
...authorizing the State Public Charter School Authority to be a pass-through and be held harmless to issue bonds, notes and other obligations to finance the acquisition of property, buildings and facilities for public charter schools?	79.2% (19)	0.0% (0)	20.8% (5)	24
...funding a revolving loan account that public charter schools could access to receive low interest loans?	91.7% (22)	0.0% (0)	8.3% (2)	24
		answered question		24
		skipped question		7

MEMORANDUM IN SUPPORT OF SENATE BILL 384

Legislative Purpose

Establish procedures for charter schools to use tax-exempt bonds to finance the acquisition and construction of land and buildings. The bonds are not and do not give rise to a general obligation or liability of the State and do not affect the general credit of the State.

Issue

A major obstacle in charter school development in the State of Nevada is facilities funding. Most charter schools are limited to signing leases with standard commercial terms and lease rates, which include annual rent escalators and provide no opportunity to obtain the benefits of ownership of the facility. A proven, low-cost financing option which exists in many other States is the issuance of tax exempt bonds through a State agency on behalf of the charter schools.

Current Conditions

Existing State laws make it extremely difficult if not impossible to issue bonds for charter schools. These laws are designed for economic/industrial development bonds and do not directly address charter schools. Current laws contain many restrictive requirements which practically prohibit charter schools from participating, including; bond projects must comply with the State Plan for Economic Development, require a 10 year presence in the State, require a 5 year operating history, and require approvals from the city or county in which the charter school is located.

As a result, the only tax-exempt bond issuance completed by a State authorized Nevada charter school was completed through an out of state issuing entity. In order to use the out of state entity, the charter school was forced to pay higher interest rates, go through a more complicated process and incur increased financing expenses.

The Legislation

- SB 384 gives the State Public Charter School Authority the power and ability to issue bonds on behalf of Charter Schools.
- The Nevada Public Charter School Authority is clearly designated as a conduit, or pass-through, issuer of the bonds.
- The legislation prohibits any general obligation or liability upon the State of Nevada or the Nevada Public Charter School Authority or any charge upon the State's general credit.
- The bonds are secured solely by school's revenues and a mortgage on the land and building
- Each bond issue is for a specific, pre-defined project; not a pool financing.
- The legislation changes the name of the Charter School Authority in order to more clearly identify it as a Nevada government entity on the bond market.
- The legislation allows Charter School Boards to incorporate as 501(c)(3) non-profit entities, which is necessary for the issuance of tax-exempt bonds under federal tax law.
- Approval of the Charter School Sponsor is required prior to issuing debt.
- Costs incurred by the NPCSA will be covered by fees charged to participating schools which will be funded through bond proceeds.

Attorney General's Office
100 N. Carson Street
Carson City, Nevada 89701-4717

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EXHIBIT 7

EXHIBIT 7

NEVADA STATE PUBLIC CHARTER SCHOOL AUTHORITY

July 29, 2016

Legislative Building
Room 2135
Carson City, Nevada

And

Grant Sawyer Building
Room 4400
Las Vegas, Nevada

MINUTES OF THE MEETING

BOARD MEMBERS PRESENT:

In Las Vegas:

Adam Johnson
Melissa Mackedon
Nora Luna
Jacob Snow
Stavan Corbett

In Carson City:

Kathleen Conaboy

Teleconference:

Jason Guinasso

BOARD MEMBERS ABSENT

None

AUTHORITY STAFF PRESENT:

In Las Vegas:

Robert Whitney, Deputy Attorney General
Patrick Gavin, Director, State Public Charter School Authority
Brian Scroggins, Deputy Director, State Public Charter School Authority
Nya Berry, Education Program Professional, State Public Charter School Authority
Joan Jurgensen, Education Program Professional, State Public Charter School Authority

In Carson City:

Danny Peltier, Management Analyst I, State Public Charter School Authority
Tanya Osborne, Administrative Assistant, State Public Charter School Authority

LEGAL STAFF PRESENT:**In Las Vegas:**

Greg Ott, Deputy Attorney General
Robert Whitney, Deputy Attorney General

AUDIENCE IN ATTENDANCE:**In Las Vegas:**

Attendance Sheet Attached

In Carson City:

Attendance Sheet Attached

CALL TO ORDER; ROLL CALL; PLEDGE OF ALLEGIANCE; APPROVAL OF AGENDA**Agenda Item 1 – Public Comment**

Chris Orme an attorney at Hutchison and Steffen spoke about representing a company called Tower Distribution Center, which is the landlord for Quest Academy. Noah Stevens talked about Coral Academy of Science and will be the principal the new school Centennial Hills Campus. Tamara Hammer spoke as a parent at Coral Academy of Science and would love to see an expansion. Zachary Hammer is a student at Coral Academy and enjoys going to school there. Ben Salkowe spoke as the principal of Equipo Academy and wanted to share some information about the school. Yolanda Flores, principal at Coral Academy, Sandy Ridge Campus to talk about being thankful for consideration on the expansion.

Member Mackedon moved for a flexible agenda. Member Luna seconded the motion. The motion carried unanimously.

Agenda Item 11 – Consideration and possible action of the Founders Academy charter contract amendment request to add one or more Educational Management Organizations.

Director Gavin spoke about what defines an educational management organization as for-profit business, organization or other entity that provides services related to the operation and management of charter schools and achievement charter schools.

Member Guinasso moved to table this agenda item to the next scheduled meeting. Member Conaboy seconded the motion. The motion carried unanimously.

Agenda Item 4 – Update and discussion of the NACSA agency recommendations

Elisa Westapher the Director of Authorizer Development and Larry Stanton with NACSA spoke about the visit with staff and talked about the strategic plan for SPCSA.

Member Mackedon moved to approve NACSA's recommendation regarding staffing changes including those specifically required by statute and direct staff to appeal to the governor's office for consideration of these investments in the agency budget question. Member Conaboy seconded the motion. The motion carried unanimously.

Agenda Item 16 – Authorization for the Agency to budget and charge up to 2 percent to support NACSA business findings and ongoing discussions regarding Agency budget request.

Director Gavin talked about the agency budget.

Member Luna moved to approve and go ahead and authorize the agency to budget and charge up to 2 percent to support NACSA's business findings. Member Snow seconded the motion. The motion carried unanimously.

Agenda Items 5 – Consideration and possible action on the America Leadership Academy charter application

Eric Makli Scholer, Megan Curtis and Melissa Hartman all board members spoke for American Leadership Academy and opening the school.

Member Mackedon moved to approve with conditions to be addressed prior to the execution of the charter contract. Member Snow seconded the motion. The motion carried unanimously.

Agenda Item 6 - Consideration and possible action on the Nevada Academy of Sciences and Arts charter application.

Director Gavin has asked for denial from the board.

Chair Johnson made a motion that the Authority follow staff recommendation for denial. Member Luna seconded the motion. The motion carried unanimously.

Agenda Item 7 – Consideration and possible action of the Nevada State High School Meadowood charter application.

Director Gavin spoke in approving with conditions to be addressed with staff.

Member Mackedon moved to approve the application under the condition that items discussed are worked out with staff prior to executing the contract. Member Snow seconded the motion. The motion carried unanimously.

Agenda Item 8 – Consideration and possible action on the Nevada State High School Sunrise charter application.

Director Gavin spoke in approving with conditions to be addressed with staff.

Member Mackedon moved to approve the campus with conditions being met and approved by staff before executing the contract. Member Conaboy seconded the motion. The motion carried unanimously.

Agenda Item 9 – Consideration and possible action on Coral Academy of Science Expansion Amendment application.

Director Gavin would like to recommend approval of amendment.

Member Mackedon moved to approve staff's recommendation, approve with conditions. Member Snow seconded the motion. The motion carried unanimously.

Agenda Item 10 – Consideration and possible action on the Somerset Academy amendment request.

Director Gavin would like to approve the amendment.

Member Snow moved to follow staff's recommendation for approval subject to any conditions. Member Conaboy seconded the motion. The motion carried unanimously.

Agenda Item 12 – Quest Academy and Silver State Charter School receiver update.

Josh Kern spoke about Quest Academy and Silver State Charter School receiver and a brief update on both schools.

Agenda Item 13 – Update and possible action regarding staff discussions with Nevada Connections Academy regarding school's plan for improvement. The Board will receive an update on and may discuss the status of discussions between SPCSA staff and School officials and attorneys regarding the school's efforts to develop a plan of improvement. The Board may register approval or disapproval of the plan or direct staff to take further action or require adjustments to the plan.

Director Gavin spoke about a plan that was presented by the school, updated metrics and measurements for each year of the next several years.

Member Mackedon moved to recommend the approval of these goals contingent upon the school entering into a charter contract which contains terms agreeable to both parties. Member Corbett seconded the motion. The motion carried unanimously.

Agenda Item 14 - Update and possible action regarding staff discussions with Beacon Academy regarding school's plan for improvement. The Board will receive an update on and may discuss the status of discussions between SPCSA staff and School officials and attorneys regarding the school's efforts to develop a plan of improvement. The Board may register approval or disapproval of the plan or require adjustments to the plan.

Director Gavin spoke about the staff report related to Beacon's graduation rate improvement plan.

Member Luna moved that we approve staff's recommendation as stated. Member Corbett seconded the motion. The motion carried unanimously.

Agenda Item 3 - Approval of Consent Approval

Information concerning the following consent agenda items has been provided to Board members for study prior to the meeting. Unless a Board member has a question concerning a particular item and asks that it be withdrawn from the consent list, items are approved through one action.

(Adam Johnson, Chair, SPCSA) *(Information/Discussion/Action)*

- Possible Approval of the ACT Aspire Contract
- Possible Approval of the Charter Application Timeline

Director Gavin spoke regarding the consent approval.

Member Mackedon moved to approve the consent agenda items. Member Conaboy seconded the motion. The motion carried unanimously.

Agenda Item 2 – Approval of the June 24, 2016 SPCSA Action Minutes

Member Mackedon moved to approve the minutes from the June 24, 2016 SPCSA Action minutes. Member Corbett seconded the motion. The motion carried unanimously.

Agenda Item 15 - Update, discussion and possible action regarding the State Public Charter School Authority's Strategic Plan

Director Gavin spoke about the strategic plan and the goals for 2020.

Member Mackedon moved to approve goal number one. Member Luna seconded the motion. The motion carried unanimously.

Agenda Item 17 – Public Comment #2

None

Chair Johnson adjourned the meeting at: 2:45.

Attorney General's Office
100 N. Carson Street
Carson City, Nevada 89701-4717

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EXHIBIT 8

EXHIBIT 8

NEVADA STATE PUBLIC CHARTER SCHOOL AUTHORITY

September 23, 2016

Legislative Building
Room 2135
Carson City, Nevada

And

Grant Sawyer Building
Room 4400
Las Vegas, Nevada

MINUTES OF THE MEETING

BOARD MEMBERS PRESENT:

In Las Vegas:

Adam Johnson
Melissa Mackedon
Jacob Snow
Jason Guinasso

In Carson City:

None

Teleconference:

None

BOARD MEMBERS ABSENT

Kathleen Conaboy
Stavan Corbett

AUTHORITY STAFF PRESENT:

In Las Vegas:

Patrick Gavin, Director, State Public Charter School Authority
Brian Scroggins, Deputy Director, State Public Charter School Authority
Nya Berry, Education Program Professional, State Public Charter School Authority
Joan Jurgensen, Education Program Professional, State Public Charter School Authority

In Carson City:

Danny Peltier, Management Analyst I, State Public Charter School Authority

LEGAL STAFF PRESENT:

In Las Vegas:

Greg Ott, Deputy Attorney General
Robert Whitney, Deputy Attorney General

AUDIENCE IN ATTENDANCE:

In Las Vegas:

Attendance Sheet Attached

In Carson City:

Attendance Sheet Attached

CALL TO ORDER; ROLL CALL; PLEDGE OF ALLEGIANCE; APPROVAL OF AGENDA

Member Luna moved to have a flexible agenda. Member Mackedon seconded the motion. The motion carried unanimously.

Agenda Item 1 – Public Comment

Dr. Kit Kotler spoke regarding statewide systems of public education and information regarding Silver State Charter School. Laura Grainer spoke in behalf of Nevada Connections Academy. Sharon Frederick board member for Beacon Academy of Nevada talked about being termed out for the spring of 2017. Africa Sanchez talked about staff recommendation for Notice of Intent to terminate the charter contract. Chris Orme represents Tower Distribution and Tower Distribution, landlord of Quest Torrey Pines Campus about the rent being paid.

Agenda Item 6 - Update, Discussion and possible action regarding Nevada Virtual Academy improvement contract negotiations

Director Gavin discussed to negotiate an amended charter contract for Nevada Virtual Academy.

Member Guinasso moved to table this agenda item until later in the day when the public both have a copy of the contract. Member Snow seconded the motions. The motion carried unanimously.

Agenda Item 4 – Update, discussion and possible action regarding Nevada Connections Academy improvement plan, including but not limited to approval of proposed charter contract with terms previously approved by the Authority, discussion and possible action regarding staff recommendation on revocation of its written charter due to violation of NRS 388A.330€ and issuance of direction to staff to issue Notice of Intent to Revoke the Written Charter.

Director Gavin spoke about action taken regarding Nevada Connections Academy.

Member Guinasso made a motion in accordance with the staff's recommendation, he moved to clarify that the language that's been summarized in the memo be included as an essential term of any agreement that we would reach with Nevada Connections. Melissa Mackedon seconded the motion. The motion carried unanimously.

Member Guinasso made a motion that pursuant to NRS 386.330 that the Authority direct staff to issue a Notice of Intent to revoke the written charter, Nevada Connections Academy, based on having a graduation rate for the preceding school year that is less than 60 percent. Member Mackedon seconded the motion. Member Luna opposed the motion. The rest of the board was Ayes.

Agenda Item 5 - Update, discussion and possible action regarding Beacon Academy improvement plan, including but not limited to approval of proposed charter contract with terms previously approved by the Authority, discussion and possible action regarding staff recommendation on alternative terms proposed by the school, or issuance of finding that the school is eligible for termination of its charter contract due to violation of NRS 388A.330 (e) and issuance of direction to staff to issue Notice of Intent to Terminate the Charter Contract.

Director Gavin talked about action taken regarding Beacon Academy.

Member Guinasso motioned pursuant to NRS 388A.330 and NAC 386.330 that the Authority Board direct staff to issue a Notice of Intent to Terminate the Charter Contract of Beacon Academy based on having a graduation rate for the preceding school year that is less than 60 percent. Member Mackedon seconded the motion. The motion carried 3 – 2. Member Snow and Member Luna voted Nay.

Agenda Item 9 - Quest Academy and Silver State Charter School receiver update
Josh Kern spoke about Quest Preparatory Academy and Silver State Charter School.

Member Snow motioned to follow the Director's recommendation. Member Mackedon seconded the motion. The motion carried unanimously.

Agenda Item 3 - Approval of Consent Approval

Information concerning the following consent agenda items has been provided to Board members for study prior to the meeting. Unless a Board member has a question concerning a particular item and asks that it be withdrawn from the consent list, items are approved through one action.

(Adam Johnson, Chair, SPCSA) ***(Information/Discussion/For Possible Action)***

- Submission Timeline for Amendment Requests and Other School Materials for Board Consideration (Adam Johnson, Board Chair, SPCSA) ***(Information/Discussion/For Possible Action)***
- Approval of SPCSA Public Information Request Fee Policy (Patrick Gavin, Executive Director, SPCSA) ***(Information/Discussion/For Possible Action)***
- Approval of revisions to provisions of SPCSA Board and Staff Policies (Patrick Gavin, Executive Director, SPCSA) ***(Information/Discussion/For Possible Action)***

Member Snow motioned for approval of the consent agenda. Member Guinasso seconded the motion. The motion carried unanimously.

Agenda Item 8 – Executive Director’s Report

Director Gavin spoke about the Executive Director’s Report

Agenda Item 10- Update, discussion and possible action regarding the State Public Charter School Authority’s Strategic Plan

Director Gavin spoke about the SPCSA’s Strategic Plan.

Member Mackedon motioned to approve the proposed metric for goal number 4 of the strategic plan. Member Luna seconded the motion. The motion carried unanimously.

Agenda Item 2 – Approval of the August 26, 2016 Board Meeting Action Minutes

Member Mackedon moved to approve the minutes. Member Guinasso seconded the motion with the adjustments noted. The motion carried unanimously.

Agenda Item 11 – Financial Framework Report

Duffy Chagoya spoke about the financial framework report.

Agenda Item 12 – Public Comment

None

Chair Johnson adjourned the meeting at: 1:14 pm

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EXHIBIT 9

EXHIBIT 9

Cohort Graduation Rates (Reported For Prior School Year)

Name	Accountability Year	Class Of	Total
			Graduation Rate
Nevada Connections Academy	2011-2012	2011	26.5
Nevada Connections Academy	2012-2013	2012	36.08
Nevada Connections Academy	2013-2014	2013	33.91
Nevada Connections Academy	2014-2015	2014	37.19
Nevada Connections Academy	2015-2016	2015	35.63

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EXHIBIT 10

EXHIBIT 10

1 ADAM PAUL LAXALT
Nevada Attorney General
2 GREGORY D. OTT
Deputy Attorney General
3 Nevada Bar No. 10950
100 N. Carson Street
4 Carson City, Nevada 89701-4717
(775) 684-1229
5 *Attorneys for the State of Nevada,
State Public Charter School Authority*

7 **IN THE FIRST JUDICIAL DISTRICT COURT OF**
8 **THE STATE OF NEVADA IN AND FOR CARSON CITY**

9 DAVID & CARLY HELD individually)
and on behalf of their minor child N.H.;)
10 VERONICA BERRY individually and on)
behalf of her minor child J.B.; RED AND)
11 SHEILA FLORES individually and on)
behalf of their minor child C.F.;)
12 JAOUAD AND NAIMI BENJELLOUN,)
individually and on behalf of their minor)
13 children L.K.1 and L.K.2.; NEVADA)
14 CONNECTIONS ACADEMY,)

15 Plaintiff,

16 v.

17 STATE OF NEVADA, ex rel., STATE)
18 PUBLIC CHARTER SCHOOL)
AUTHORITY, a political subdivision of)
19 the STATE OF NEVADA, and PATRICK)
GAVIN, in his official capacity as)
20 Executive Director of the STATE)
PUBLIC CHARTER SCHOOL)
21 AUTHORITY,)

22 Respondents.

CASE NO. 16 OC 002491 B

DEPT. NO. I

**DECLARATION OF GREGORY D.
OTT IN SUPPORT OF
DEFENDANTS' OPPOSITION TO
PLAINTIFF'S MOTION FOR
TEMPORARY RESTRAINING
ORDER AND PRELIMINARY
INJUNCTION**

23
24 I, Gregory D. Ott, do certify under penalty of perjury as follows:

25 1. I am the Deputy Attorney General currently assigned as counsel to the State
26 Public Charter School Authority staff and have personal knowledge of the facts stated
27 herein, and if called upon to testify as to the matters set forth herein, I would be
28 competent to do so. I make this declaration in support of Defendants' Opposition to

1 Plaintiff's Motion for Temporary Restraining Order and Preliminary Injunction
2 ("Opposition").

3 2. Attached to the Opposition as Exhibit 1 is a true and correct copy of the
4 written charter of May of 2013 between Nevada Connections Academy and the Authority
5 authorizing Nevada Connections Academy.

6 3. Attached to the Opposition as Exhibit 2 is a true and correct copy of the
7 Budget Status Report of the State of Nevada showing payments made to Nevada
8 Connections Academy during fiscal year 2016, publicly available by accessing Nevada's
9 Data Warehouse (<http://dawn12.state.nv.us:7777/swmenu.htm>) and accessing the Budget
10 Status of the State's obligations under the Distributive School Account (budget item
11 2610).

12 4. Attached to the Opposition as Exhibit 3 is a true and correct copy of the
13 Budget Status Report of the State of Nevada showing payments made to Nevada
14 Connections Academy during fiscal year 2017, publicly available by accessing Nevada's
15 Data Warehouse (<http://dawn12.state.nv.us:7777/swmenu.htm>) and accessing the Budget
16 Status of the State's obligations under the Distributive School Account (budget item
17 2610).

18 5. Attached to the Opposition as Exhibit 4 is a true and correct copy of the
19 Notice of Intent to Revoke a Written Charter sent to the Board President of Nevada
20 Connections Academy on September 30, 2016.

21 6. Attached to the Opposition as Exhibit 5 is a true and correct copy of the
22 published agenda from the Public Charter School Authority ("Authority") Board meeting
23 of March 22, 2013.

24 7. Attached to the Opposition as Exhibit 6 is a true and correct copy of the
25 minutes from the Authority Board meeting of March 22, 2013.

26 8. Attached to the Opposition as Exhibit 7 is a true and correct copy of the
27 minutes from the Authority Board meeting of July 29, 2013.

28 ///

Attorney General's Office
100 N. Carson Street
Carson City, Nevada 89701-4717

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EXHIBIT 11

EXHIBIT 11

CHARTER SCHOOL CONTRACT

between

State Public Charter School Authority

and

Nevada Connections Academy

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SIGNATURE PAGE

EXHIBIT #1

Charter School Performance Framework

EXHIBIT #2

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CHARTER CONTRACT

This agreement constitutes a Charter Contract (the "Charter Contract") executed between the State Public Charter School Authority (the "Authority"), and Nevada Connections Academy (the "Applicant(s)") (collectively, the "Parties") to establish and operate the Nevada Connections Academy (the "Charter School"), an independent and autonomous public school authorized to operate in the State of Nevada.

RECITALS

"WHEREAS, The primary consideration of the legislature in enacting legislation to authorize charter schools is to serve the best interests of all pupils, including pupils who may be at risk; and

WHEREAS, The intention of the legislature is to provide:

1. The board of trustees of school districts with a method to experiment with providing a variety of independent public schools to the pupils of this state;
2. A framework for such experimentation;
3. A mechanism by which the results achieved by charter schools may be measured and analyzed; and
4. A procedure by which the positive results achieved by charter schools may be replicated and the negative results may be identified and eliminated; and

WHEREAS, It is further the intention of the legislature to provide teachers and other educational personnel, parents, legal guardians and other persons who are interested in the system of public education in this state the opportunity to:

1. Improve the learning of pupils and, by extension, improve the system of public education;
2. Increase the opportunities for learning and access to quality education by pupils;
3. Encourage the use of different and innovative teaching methods;

4. Establish appropriate measures for and assessments of the learning achieved by pupils who are enrolled in charter schools;
5. Provide a more thorough and efficient system of accountability of the results achieved in public education in this state; and
6. Create new professional opportunities for teachers and other educational personnel, including, without limitation, the opportunity to increase the accessibility and responsibility of teachers and other educational personnel for the program of learning offered;"

WHEREAS, The Authority is authorized by the Legislature to sponsor charter schools pursuant to NRS 386.509; and

WHEREAS, on April 25, 2014, the Authority approved the application for a charter contract pursuant to Assembly Bill 205; and

WHEREAS, the Parties intend that this Charter Contract serve as a performance contract that governs the operation of the Charter School;

NOW THEREFORE, in consideration of the mutual covenants, representations, warranties, and agreements contained herein and for other good and lawful consideration, the receipt and sufficiency of which is hereby acknowledged, the Authority and Charter School agree as follows:

Part I: Operation of the School

1.1 Establishment

- 1.1.1 As authorized by the Nevada Revised Statute (NRS) 386.509, the Authority hereby authorizes the operation of the Charter School with the aforementioned conditions, and in accordance with the terms and conditions set forth in this Charter Contract.
- 1.1.2 This Charter Contract is entered into between the Charter School, its governing body (the "Charter Board") and the Authority.

1.2 Parties

- 1.2.1 The person authorized to sign the Charter Contract on behalf of the Charter School is the President of the Charter Board ("Charter School Representative").
- 1.2.2 The person authorized to sign on behalf of the Authority is the Chair of the Authority or, in the absence of the Chair, the Acting Chair.
- 1.2.3 The Charter School Representative affirms as a condition of this Charter Contract, that he/she is the above-described representative of the Charter School and has authority to sign this Charter Contract on behalf of the Charter School.

1.3 Term of Charter Contract

- 1.3.1 The Term of this Charter Contract shall be six (6) years.
- 1.3.2 This Charter Contract is effective upon execution, and the term of the Charter Contract begins as a written charter on ~~May 6, 2013~~ ~~June 13, 2014~~ and will terminate six years from that date ~~on June 13, 2020~~, unless earlier terminated as provided herein.

1.4 General

- 1.4.1 The Charter School shall not operate for profit and may be incorporated as a nonprofit corporation pursuant to the provision of chapter 82 of NRS.
- 1.4.2 The Charter School certifies that all contracts obligating the Charter School have been and will be undertaken by the Charter School in accordance with statute and regulation.
- 1.4.3 The Charter School and its Charter Board shall operate at all times in accordance with all federal and state laws, local ordinances, regulations and Authority policies applicable to charter schools.
- 1.4.4 The Charter School shall be deemed a public school subject to all applicable provisions of local, state and federal law and regulation, specifically including but not limited to health and safety, civil rights, student assessment and assessment administration, data collection, reporting, grading, and remediation requirements, except to the extent such provisions are inapplicable to charter schools.
- 1.4.5 Pursuant to NRS 386.513, the Local Education Agency of the Charter School is the Authority.

1.5 Charter School Governing Body

- 1.5.1 The Charter School shall be governed by the Charter Board, and deemed a public body, in a manner that is consistent with the terms of this Charter Contract so long as such provisions are in accordance with applicable state, federal, and local law and regulation. (NRS 386.549)
- 1.5.2 The Charter Board shall have final authority and responsibility for the academic, financial, and organizational performance of the Charter School, and the fulfillment of the Charter Contract.
- 1.5.3 The Charter Board shall be the final authority in matters affecting the Charter School, including but not limited to staffing, job titles, employee salary and benefits, financial accountability and curriculum.
- 1.5.4 The Charter Board shall act in accordance with and is subject to the Nevada Open Meeting Law, Public Records Law, and Nevada Local Government Purchasing laws (NRS 332.039-.148)
- 1.5.5 The Charter Board shall have authority for and be responsible for policy and operational decisions of the Charter School. The Charter Board shall govern the Charter School pursuant to the following terms and conditions:
 - 1.5.5.1 Articles of Incorporation and Bylaws. The articles of incorporation, if applicable, and bylaws of the Charter Board shall provide for governance of the operation of the Charter School as a public charter school and shall at all times be consistent with all applicable law, regulation and this Charter Contract. The articles of incorporation, if applicable, are set forth in Exhibit #2 (initially or as amended, the “Articles of Incorporation”) and incorporated herein by reference. The Charter School shall notify the sponsor of changes to the bylaws or Articles of Incorporation.
 - 1.5.5.2 Composition. The composition of the Charter Board shall at all times be determined by and consistent with the articles of incorporation, if applicable, and bylaws and all applicable law and regulation. The complete roster of the Charter Board and each member’s affidavit, resume, and Request for Information shall be maintained in the Authority’s established document library (AOIS). The Charter Board shall notify the Authority of any changes to the Board Roster and submit an amended Board Roster to the documents library within ten (10) business days of their taking effect.
 - 1.5.5.3 Affiliation. Notwithstanding any provision to the contrary in the Charter Contract, the Articles of Incorporation, if applicable, or the bylaws, in no event shall the Charter Board, at any time, include more than two directors, officers, employees, agents or other affiliates of any single entity, with the exception of the Charter School itself, regardless of whether said entity is affiliated or otherwise partnered with the Charter School. (NAC 386.345(3))
 - 1.5.5.4 Conflicts of Interest. The Charter Board shall adopt a Conflicts of Interest Policy (the “Conflicts of Interest Policy”), including provisions related to nepotism and consistent with this section and applicable law by January 1 of the Charter School’s first year of operation . The Charter Board shall, at all

times, comply with the provisions of the Conflicts of Interest Policy. The adopted and approved Conflicts of Interest Policy shall be maintained in the Authority's established document library (AOIS). Any modification of the Conflicts of Interest Policy must be submitted to the Authority within five (5) days of approval by the Charter Board.

- 1.5.5.5 Non-Commingling. Assets, funds, liabilities and financial records of the Charter School shall be kept separate from assets, funds, liabilities, and financial records of any other person, entity, or organization unless approved in writing by the Authority.

1.6 Location

- 1.6.1 The Charter School shall operate and provide educational services, including, without limitation, delivery of instruction or conduct operations at the following location(s):

555 Double Eagle Ct #2000, Reno, NV 89521

Additionally, the Charter School may employ personnel who work remotely to provide the above described services.

1.7 Facilities

- 1.7.1 The building(s) in which the Charter School is to be located shall be known as the Charter School Facilities (the "Facilities").
- 1.7.2 The Authority or its designee may, at the Authority's discretion, conduct health and safety inspections of the Facilities.
- 1.7.3 The Facilities shall meet all applicable health, safety and fire code requirements and shall conform with applicable provisions of the Americans with Disabilities Act and any other federal or state requirements applicable to public charter schools.
- 1.7.4 The Charter School's relocation to different Facilities shall constitute a material amendment of this Charter Contract and shall not become effective and the Charter School shall not take action or implement the change requested in the amendment until the amendment is approved, in writing, by the Authority.
- 1.7.5 In the event that legally viable Facilities and/or necessary certificates and permits are not in place, the Charter School may not provide instruction at the Facilities or otherwise admit pupils into the Facilities. In such event, the Authority reserves the right to enforce any of the consequences for failure to act in accordance with the material terms and conditions of this Charter Contract.

1.8 Charter School Independence

- 1.8.1 Neither the Authority nor the board of trustees of the local school district in

which the Charter School is located may assign any pupil who is enrolled in a public school or any employee who is employed in a public school to the Charter School. Neither the Authority nor the local school district in which the Charter School is located may interfere with the operation and management of the Charter School except as authorized by NRS 386.490-.610, inclusive, and any other statute or regulation applicable to the Charter School or its officers or employees.

- 1.8.2 The Charter School will be subject to review of its operations and finances by the Authority, including related records, when the Authority, in its sole discretion, deems such review necessary.

1.9 Pre-Opening Conditions

- 1.9.1 The Charter School's pre-opening conditions (initially or as amended, the "Pre-Opening Conditions") shall be as presented in Exhibit #4 and incorporated by reference herein. Any change to the Pre-Opening Conditions shall be a material amendment to this Charter Contract and the Charter School shall not take action or implement the change requested in the amendment until the amendment is approved, in writing, by the Authority.
- 1.9.2 Failure to timely fulfill any material term of the Pre-Opening Conditions shall be considered a breach of material compliance with the Charter Contract pursuant to NRS 386.535 and shall be grounds for Authority intervention. Notwithstanding the immediately foregoing, the Authority may modify the restrictions contained therein or may grant the Charter School an additional planning year upon good cause shown.

Part 2: School Operations

2.1 Open Meetings and Public Records

- 2.1.1 The Charter School shall maintain and implement policies and procedures to ensure that it complies with all applicable laws and regulations relating to public meetings and records.

2.2 Mission Statement

- 2.2.1 The Charter School's mission statement (initially or as amended, the "Mission Statement") shall be as presented in the approved Charter Application appearing in Exhibit #3 and incorporated by reference herein. Any change to the Mission Statement shall be a material amendment to this Charter Contract and shall not become effective and the Charter School shall not take action or implement the change requested in the amendment until the amendment is approved, in writing, by the Authority.

2.3 Age; Grade Range; Number of Students

- 2.3.1 The Charter School shall provide instruction to pupils in such grades and numbers in each year of operation under the Charter Contract as it did during

the 2015-2016 academic year.

2.3.2 The Charter School may modify the number of students in any particular grade, and number of students within a class, to accommodate staffing exigencies and attrition patterns provided such modifications are consistent with this Charter Contract.

2.3.3 Elimination of a grade level that the Charter School was scheduled to serve; expansion to serve grade levels not identified in 2.3.1; or an annual increase or decrease in total enrollment by more than 10% from the enrollment of October 1 of preceding year shall be a material amendment of this Charter Contract and shall not become effective and the Charter School shall not take action or implement the change requested in the amendment until the amendment is approved, in writing, by the Authority. Authorization to expand may require the Charter School to demonstrate satisfactory academic and financial performance, and organizational compliance. Regardless what enrollment projections are contained in the charter school application approved by the Authority, the first year enrollment on October 1 for the Charter School shall serve as the basis for the 10% annual enrollment increase or decrease for the school's second year; similarly, subsequent years' enrollment on October 1 shall serve as the basis for the following years' enrollment. Each year's enrollment shall be limited to 10% more pupils than the previous year's October 1 enrollment unless the school's request for a material amendment is approved by the Authority. For example, a school enrolling 100 pupils any given year may enroll no more than 110 pupils the following year without Authority approval of a material amendment. It is the responsibility of the Charter School to request the material amendment required by this section 2.3.3 in a timely manner so as to manage the school's enrollment to comply with 2.3.3.

2.4 **Non-discrimination**

2.4.1 The Charter School shall not discriminate against any student, employee or other person on the basis of race, color, creed, ethnicity, national origin, gender, marital status, religion, ancestry, disability, sexual orientation, sex, gender identity or expression, need for special education services, income level, athletic ability, proficiency in the English language or any other grounds that would be unlawful if done by any other public school. It shall take all steps necessary to ensure that discrimination does not occur, as required by federal civil rights law.

2.5 **Student Recruitment, Enrollment and Attendance**

2.5.1 The Charter School shall make student recruitment, admissions, enrollment and retention decisions in a nondiscriminatory manner and without regard to race, color, creed, national origin, sex, marital status, religion, ancestry, disability, need for special education services or status as credit-deficient. In no event may the Charter School limit admission based on race, ethnicity, national origin, gender, disability, income level, athletic ability, status as credit-deficient or

proficiency in the English language, except as authorized by NRS 386.580(8).

- 2.5.2 The Charter School shall adopt and adhere to a Truancy and Absence Policy pursuant to NAC 386.180(5).
- 2.5.3 If there are more applications to enroll in the charter school than there are spaces available, the charter school shall select students to attend using a random selection process that shall be publicly noticed and open to the public.
- 2.5.4 Pursuant to NRS 386.580, Charter School may give enrollment preference based upon criteria established in law and regulation. Should state laws or regulations be amended to alter the nature or application of enrollment preferences, Charter School shall comply therewith upon the effective date of the changes. Before the Charter School enrolls pupils who are eligible for enrollment, the Charter School may enroll a child who:
 - 2.5.4.1 Is a sibling of a pupil currently enrolled;
 - 2.5.4.2 Was enrolled in a tuition-free prekindergarten program at the Charter School or affiliated program with the Charter School;
 - 2.5.4.3 Is a child of a person who is:
 - 2.5.4.3.1 Employed by the Charter School;
 - 2.5.4.3.2 A member of the Committee to Form the Charter School; or
 - 2.5.4.3.3 A member of the Charter Board;
 - 2.5.4.4 Is in a particular category of at-risk and the child meets the eligibility requirements prescribed by the Charter School for that particular category; or
 - 2.5.4.5 Resides within the school district and within two (2) miles of the Charter School if the Charter School is located in an area that the Authority determines includes a high percentage of children who are at-risk.

2.6 **Tuition, Fees and Volunteer Requirements**

- 2.6.1 The Charter School shall not charge tuition or fees of any kind as a condition of enrollment. The Charter School may not impose any fees that a school district would be prohibited by applicable law or regulation from imposing.
- 2.6.2 Nothing in this section shall be interpreted to prohibit the Charter School from imposing fees that a school district would be permitted to impose.
- 2.6.3 Any requirement that a parent commit a number of volunteer hours shall be prohibited unless such a requirement considers individual family circumstances and allows for a waiver of volunteer hours.

2.7 **School Calendar; Hours of Operation**

- 2.7.1 The Charter School shall adopt a school calendar with an instructional program to provide annually at least as many days of instruction as are required of other public schools located in the same school district as the Charter School is located, unless written approval from the Superintendent of Public Instruction provides for a waiver of this requirement. (NRS 386.550)

2.8 **Student Conduct and Discipline**

2.8.1 The Charter School shall adopt and adhere to a student discipline policy (the “Discipline Policy”) pursuant to NRS 386.585 and regulation. The Charter School may not remove, withdraw, suspend or expel a pupil against a parent’s wishes for reasons other than the reasons for suspension or expulsion stated in NRS 392.4655 – 392.4675 or other applicable statute or regulation. Nothing in this provision precludes the Charter School from withdrawing a pupil from the Charter School consistent with applicable law and regulation.

2.9 **Service Agreements, Contracts, Facility Lease or Purchase**

2.9.1 Nothing in this Charter shall be interpreted to prevent the Charter School from entering into a contract or other agreement related to the operation of the school. The Charter School shall include in any agreement or contract entered into that the provisions of any such agreement are enforceable only to the extent they are compliant with applicable law and regulation. The Charter Board is responsible for ensuring that all contracts or other agreements are compliant with existing law and regulation.

2.9.2 The Charter School shall clearly indicate to vendors and other entities and individuals with which or with whom the Charter School enters into an agreement or contract for goods or services that the obligations of the Charter School under such agreement or contract are solely the responsibility of the Charter School and are not the responsibility of the State of Nevada, the Authority, or the Department of Education.

2.10 **Contracts with an Educational Management Organization (EMO)**

2.10.1 The provisions appearing under 2.9 apply to contracts with an EMO.

2.10.2 Should the Charter School intend to enter into an agreement with an EMO as defined by NRS 386.562, the following provisions shall apply:

2.10.2.1 The Charter School shall comply with all Authority requests for information about the EMO that are reasonably related to the Authority’s duty to ensure that the Charter School is in compliance with all provisions of this Charter Contract and NRS 386.562; and NAC 386.400, 386.405, 386.407, 386.180, and 386.204 or other applicable statute and regulation.

2.10.2.2 In no event shall the Charter Board delegate or assign its responsibility for fulfilling the terms of this Charter Contract.

2.10.2.3 Any management contract entered into by Charter School shall include an indemnification provision for the Charter School as follows: “The management company shall indemnify, save and hold harmless against any and all claims, demands, suits, actions, proceedings, losses, costs, judgments, damages, or other forms of liability to third parties, of every kind and description, actual or claimed, including but not limited to attorneys’ fees and/or litigation expenses, including but not limited to injury to property or persons (including but not limited to civil rights violations), occurring or allegedly occurring, in connection with the operation of the

management company, or from conduct committed or alleged to have been committed by the management company on the premises of the Charter School, or from conduct committed by the management company's employees, officers, directors, subcontractors, or agents, during the term of this Charter Contract or any renewal thereof. Additionally, the management company shall defend the Authority in any such action or proceedings brought thereon. This provision shall survive the termination of this contract."

- 2.10.2.4 Should the Charter School propose to enter into a contract with an EMO, the Charter School agrees to submit all information requested by Authority regarding the management arrangement, including a copy of the proposed contract and a description of the EMO, with identification of its principals and their backgrounds. Entering into a contract with an EMO when an EMO was not previously engaged, terminating a contract with an existing EMO, or replacing an existing EMO with another EMO is considered a material amendment of the Charter Contract and the Charter School shall not enter into or terminate such contracts without written Authority approval.
- 2.10.2.5 Renewal or renegotiation of an existing contract with an EMO requires the Charter School to notify the sponsor, only, and is not considered a material amendment.

2.11 Employment Matters

- 2.11.1 All employees of the Charter School shall be deemed public employees.
- 2.11.2 The Charter School agrees to comply with the provisions of NRS 386.595 regarding employment status and NRS 386.590 regarding teacher licensure.
- 2.11.3 Neither the Charter School, nor its employees, agents, nor contractors are employees or agents of the Authority; nor are either the Authority or its employees, agents, or contractors employees or agents of the Charter School. None of the provisions of this Charter Contract will be construed to create a relationship of agency, representation, joint venture, ownership, or control of employment between the Parties other than that of independent Parties contracting solely for the purpose of effectuating this Charter Contract.
- 2.11.4 The Charter School shall have ultimate responsibility for employment, management, dismissal and discipline of its employees, including key personnel employed by an EMO. The Charter School will establish and implement its own dispute resolution process for employment matters.
- 2.11.5 The Charter School may not employ instructional personnel whose certificate or license to teach has been revoked or is currently suspended by the state board of education in this state or another state. (NRS 386.590(a))
- 2.11.6 An employee of a charter school is eligible for all benefits for which the employee would be eligible for employment in a public school, including, without limitation, participation in the Public Employees Retirement System in a

manner consistent with NRS 386.595.

- 2.11.7 The Charter School shall conduct criminal background checks and act in accordance with NRS 386.588.
- 2.11.8 The Charter School shall maintain employee files as identified in the Operations Manual, which are subject to audit by the Authority or other appropriate entity.
- 2.11.9 If the Charter School receives Title I funding, it must ensure that 100% of teachers in core academic subjects are Highly Qualified (as defined in the Elementary and Secondary Education Act) or are working pursuant to a plan to achieve Highly Qualified status.
- 2.12 **Student Health, Welfare and Safety**
 - 2.12.1 The Charter School shall comply with all applicable federal and state laws and regulations concerning student health, welfare, and safety, including but not limited to state laws regarding the reporting of child abuse, accident prevention and disaster response, and any applicable state and local regulations governing the operation of school facilities.
- 2.13 **Transportation**
 - 2.13.1 If applicable, the Charter School shall be responsible for providing students transportation consistent with the plan proposed in the approved Charter Application appearing in Exhibit #3 and incorporated herein.
 - 2.13.2 The termination or change of transportation shall constitute a material amendment of this Charter Contract and shall not become effective and the Charter School shall not take action or implement the change requested in the amendment until the amendment is approved, in writing, by the Authority.

Part 3: Educational Program

- 3.1 **Design Elements**
 - 3.1.1 The Charter School shall have control over and responsibility for delivery of the educational program and for attainment of the performance standards as set forth in the charter school performance framework (the "Charter School Performance Framework") Exhibit #1, as amended by Exhibit #1.1, incorporated herein. The Charter School shall have discretion to modify, amend, adapt, and otherwise change the educational program as it deems necessary to achieve the performance standards so long as such changes are consistent with the Charter Application and the Charter Contract.
 - 3.1.2 In determining whether or not the Charter School complies with the essential terms of the educational program, the Authority will use the Charter Application (initial or as amended) as the basis to assess fidelity.
- 3.2 **Curriculum**
 - 3.2.1 The Charter School's educational program shall meet or exceed Nevada's content standards.
- 3.3 **Student Assessment**

- 3.3.1 The Charter School shall be subject to and comply with all requirements related to the state assessment and accountability system for public schools.
- 3.3.2 Nothing in this section prohibits the Charter School or the Authority from assessing student learning outside of and in addition to the state's testing program.
- 3.3.3 Educational program matters not specifically identified in this Charter Contract shall remain within the Charter School's authority and discretion.

3.4 **Special Education**

- 3.4.1 The Authority is the "local education agency" ("LEA") for purposes of compliance with the Individuals with Disabilities Education Act ("IDEA").
- 3.4.2 The Charter School shall provide services and accommodations to students with disabilities as set forth in the Charter Application and in accordance with any relevant policies thereafter adopted, as well as with all applicable provisions of the Individuals with Disabilities Education Act (20 U.S.C. § 1401 et seq.) (the "IDEA"), the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) (the "ADA"), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) ("Section 504"), and all applicable regulations promulgated pursuant to such federal laws. This includes providing services to enrolled students with disabilities in accordance with the individualized education program ("IEP") prescribed by a student's IEP team. The Charter School shall comply with all applicable requirements of state law and regulation concerning the provision of services to students with disabilities.
- 3.4.3 An annual Memorandum of Understanding which defines the rights and responsibilities of the Charter School acting as a school of the LEA and the Authority acting as LEA will be annually updated and disseminated by the Authority and signed by the Parties.
- 3.4.4 The Charter School shall maintain a special education reserve as a financial reserve or demonstrate, to the Authority's satisfaction, that the Charter School carries an insurance policy with sufficient coverage to ensure compliance with the indemnification and financial obligations of the Charter School. Such reserve or insurance product shall not in any way limit the Charter School's obligation in the event the special education reserve or insurance product is insufficient to fully pay costs incurred in connection with any claim or claims, and the Charter School shall remain fully responsible for any and all costs incurred in connection with such claim or claims. The Charter School shall keep any special education reserve separate from and not utilize it to satisfy any other requirements applicable to the Charter School. Any special education reserve shall be maintained in a separate bank account and shall be equal to \$25,000 plus the interest that has been earned in this account to date. The Charter School shall fully fund any reserve account by the end of its fifth year of operation and contribute to it in a manner that can reasonably be

expected to reach this goal. If money is withdrawn from the reserve account, unless otherwise agreed to in writing by the Authority, the Charter School shall be required to replace all sums withdrawn by the end of the subsequent fiscal year.

3.5 English Language Learners

- 3.5.1 The Charter School shall provide resources and support to English language learners to enable them to acquire sufficient English language proficiency to participate in the mainstream English language instructional program. The Charter School shall adhere to policies and procedures for identifying, assessing and exiting English language learners, consistent with all applicable laws and regulations. The Authority and the Charter School will work to assure compliance with any and all requirements of the state and federal law regarding services to English language learners.

Part 4: Charter School Finance

4.1 Financial Management

- 4.1.1 The Charter School shall control and be responsible for financial management and performance of the Charter School including budgeting and expenditures. The Charter School shall operate on a fiscal year that begins July 1 and ends June 30.
- 4.1.2 At all times, the Charter School shall maintain appropriate governance and managerial procedures and financial controls, including without limitation: (1) commonly accepted accounting practices and the capacity to implement them; (2) a bank account maintained within this State; (3) adequate payroll procedures; (4) an organizational chart; (5) procedures for the creation and review of monthly and quarterly financial reports, including identification of the individual who will be responsible for preparing such financial reports in the following fiscal year; (6) internal control procedures for cash receipts, cash disbursements and purchases; and (7) maintenance of asset registers and financial procedures for grants in accordance with applicable federal and state law.
- 4.1.3 The Charter School shall undergo an independent financial audit conducted in accordance with governmental accounting standards and GASB #34 performed by a certified public accountant each fiscal year. The results of the audit will be provided to the Authority in written form in accordance with the date established by law and regulation and identified in the Reporting Requirements Manual. The Charter School shall pay for the audit.
- 4.1.4 The Charter School shall prepare quarterly financial reports for the Authority in compliance with this Charter Contract. Such reports shall be submitted to

- the Authority no later than fifteen (15) days following the end of each quarter, as defined in the Reporting Requirements Manual.
- 4.1.5 The Charter School agrees to maintain financial records in accordance with the governmental accounting method required by the Nevada Department of Education (the “Department”) and/or Authority and to make such records available upon request.
 - 4.1.6 The Charter School shall use and follow the chart of accounts and any grant codes as defined by the Department in the Nevada Common Elements for Accounting and Reporting K-12 Educational Finances.
 - 4.1.7 The Charter School shall assure that all financial records for the school are maintained, posted and reconciled at least monthly, and are open for public inspection during reasonable business hours.
 - 4.1.8 The Charter School shall establish procedures for ensuring that funds are disbursed for approved expenditures consistent with the Charter School’s budget.
 - 4.1.9 Pursuant to NAC 387.770, the Charter School shall maintain a complete and current inventory of all school property and shall perform a physical inventory annually. Any asset acquired by the Charter School is the property of the Charter School for the duration of the Charter Contract and any subsequent renewals. The Charter School shall take reasonable precautions to safeguard assets acquired with public funds. The Charter School shall manage all assets consistent with the requirements of applicable law and regulation, including without limitation NAC 387.335, 387.342 and 387.360; and NRS 386.536.
 - 4.1.10 If the Charter School’s records fail to establish clearly whether an asset was acquired with the use of public funds, the assets shall be deemed to be public assets.
 - 4.1.11 Except as may be expressly provided in this Charter Contract, as set forth in any subsequent written agreement between the Charter School and the Authority pursuant to NRS 386.561, or as may be required by law, neither the Charter School nor the Authority shall be entitled to the use of or access to the services, supplies, or facilities of the other. Any service agreements between the Authority and the Charter School shall be subject to all terms and conditions of this Charter Contract, except as may be otherwise agreed in writing. The purchase of any services not expressly required under this contract or set forth in any subsequent written agreement between the Charter School and the Authority or required by law, shall not be a condition of the approval or continuation of this contract.
 - 4.1.12 The Charter School shall comply with other requirements as may be imposed through state law or regulation, from time to time, on charter school finances, budgeting, accounting, and expenditures, provided that the Authority shall provide technical assistance regarding material changes to state law and

regulation, and the Parties will collaborate to assure that they each remain reasonably current on the impact of any modifications on charter schools. The Parties agree that the Charter School retains primary responsibility for compliance with state law and regulation.

- 4.1.13 The Charter School is solely responsible for all debt it incurs, and the Authority shall not be contractually bound on the Charter School's account to any third party. A statement to this effect shall be a provision of any and all contracts entered into by the Charter School.

4.2 **Budget**

- 4.2.1 In accordance with law and regulation and as identified in the Reporting Requirements Manual, the Charter School shall submit to the Department and the Authority the school's tentative budget for the upcoming fiscal year and the Charter School shall submit to the Department and the Authority the school's final budget for the upcoming fiscal year. The budget shall:
 - 4.2.1.1 Be presented on forms prescribed by the Nevada Department of Taxation; and
 - 4.2.1.2 Not provide for expenditures, inter-fund transfers, or reserves in excess of available revenues plus beginning fund balances.

4.3 **Charter School Funding**

- 4.3.1 Charter School shall receive, directly from the Department, state and local aid in an amount equal to its weighted count of enrollment multiplied by the per pupil Distributive School Account amount for the county of residence of each student plus the per pupil Outside Revenue amount for that county. The count of pupils for calculating the basic support for distribution to a charter school is the "Average daily enrollment" as defined by NRS 387.1211.
- 4.3.2 The Charter School shall maintain and transmit all necessary student information in the format prescribed by the Department to evidence enrollment and attendance of students for purposes of receiving state aid. The Charter School will receive state payment from the Distributive School Account directly from the Department, based on "Average daily enrollment" as defined by NRS 387.1211.
- 4.3.3 The Charter School shall receive state aid payments quarterly unless the quarterly payments exceed \$500,000 at which time the Department will pay state aid in monthly installments directly to the Charter School.
- 4.3.4 All state aid payments to the Charter School are subject to correction pending the outcome of the Department's annual Pupil Enrollment and Attendance Audit.

4.4 **Authority Funding**

- 4.4.1 The yearly sponsorship fee to be paid by the Charter School to the Authority must be in an amount of money not to exceed two (2) percent but at least one (1) percent of the total amount of money apportioned to the Charter School

- during the school year pursuant to NRS 387.124. (NRS 386.570)
- 4.4.2 The Authority shall notify the Charter School in February of the fee anticipated to be charged pursuant to NRS 386.570 in the following fiscal year.

Part 5: Insurance and Legal Liabilities

5.1 Insurance

- 5.1.1 The Charter School shall provide and maintain, at its sole expense without reimbursement, adequate insurance, pursuant to NAC 386.215, necessary for the operation of the school, including but not limited to, property insurance, general liability insurance, workers' compensation insurance, unemployment compensation insurance, motor vehicle insurance, and errors and omissions insurance covering the Charter School and its employees. Should the State legislature or State Board of Education change the amount and/or type of insurance coverage required, the Charter School shall take necessary steps to ensure compliance with the law or regulation within thirty (30) days of receiving notice by the Authority of such change. The Authority shall be named as additional insured under all insurance policies identified under NAC 386.215.

5.2 Liability

- 5.2.1 As required by NRS ~~386.88A366-550~~, the Charter School agrees that the Authority is not liable for the acts or omissions of the Charter School, its officers, agents, or employees. The Charter School agrees to defend, indemnify, and hold the Authority, its agents and employees, harmless from all liability, claims and demands on account of contract, injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever which arise out of or are in any manner connected with the Charter School's operations.
- 5.2.2 If the Charter School files a voluntary petition for bankruptcy or is declared bankrupt during a school year, neither the State of Nevada nor the Authority may be held liable for any claims resulting from the bankruptcy pursuant to NRS 386.575.

Part 6: Transparency and Accountability

6.1 Charter School Reporting

- 6.1.1 The Authority shall provide the Charter School with a Reporting Requirements Manual on or before the commencement of the contract year and updated at least annually. The Authority shall endeavor to make the Reporting Requirements Manual as complete as possible. The Charter School shall be responsible for submitting timely and complete reports in accordance with the Reporting Requirements Manual.
- 6.1.2 The Authority shall provide the Charter School with an Operations Manual on or before the commencement of the contract year and updated at least

annually.

6.2 Additional Reporting

6.2.1 The Charter School shall be responsible for additional reporting as required for compliance with state law and regulation, federal requirements, and other applicable external reporting requirements.

6.3 Authority Reporting

6.3.1 The Authority shall produce and make available reports to the Charter School in a manner consistent with the Reporting Requirements Manual.

Part 7: Oversight

7.1 Authority

7.1.1 Pursuant to NRS 386.509, the Authority shall have broad oversight authority over the Charter School and may take all reasonable steps necessary to confirm that the Charter School is and remains in material compliance with this Charter Contract, the Charter Application, and applicable law and regulation. The Authority's oversight of the Charter School shall include, but not be limited to, the following activities:

- 7.1.1.1 Oversight, intervention, termination, renewal, and closure processes and procedures for the Charter School;
- 7.1.1.2 Reviewing the performance and compliance of the Charter School within the terms of this Charter Contract and applicable laws, policies and regulations;
- 7.1.1.3 Ensuring the Charter School's compliance with reporting requirements;
- 7.1.1.4 Monitoring the educational, legal, fiscal, and organizational condition of the Charter School; and
- 7.1.1.5 Providing guidance to the Charter School on compliance and other operational matters.

7.2 Inspection

7.2.1 All records established and maintained in accordance with the provisions of this Charter Contract, applicable policies and/or regulations, and federal and state law shall be open to inspection by the Authority and other applicable agencies, entities, or individuals within a reasonable period of time after request is made.

7.3 Site Visits

7.3.1 The Authority shall visit the Charter School at least once as a component of the Mid-Term evaluation as defined in the Charter School Performance Framework. Authority may, at its discretion, conduct formal, targeted school visits. Such site visits may include any activities reasonably related to fulfillment of its oversight responsibilities including, but not limited to, inspection of the facilities; inspection of records maintained by the Charter School; and interviews of school and other stakeholders.

7.4 **Notification**

- 7.4.1 The Charter School shall notify the Authority immediately of any conditions that it knows are likely to cause it to violate the terms of this Charter Contract or the Charter Application. Such notification shall not be construed as relief from the Charter School's responsibility to correct such conditions.
- 7.4.2 The Charter School shall notify the Authority immediately of any circumstances requiring the closure of the Charter School, including but not limited to natural disaster, other extraordinary emergency, or destruction of or damage to the school facility.
- 7.4.3 The Charter School shall immediately notify the Authority of the arrest or charge of any members of the Charter Board or any Charter School employee for a crime punishable as a felony, any crime related to the misappropriation of funds or theft, any crime or misdemeanor constituting an act against a minor child or student, or of the investigation of a member of the Charter Board or any Charter School employee for child abuse.
- 7.4.4 The Charter School shall notify the Authority immediately of any change to its corporate legal status.
- 7.4.5 The Charter School shall notify the Authority immediately of any default on any obligation, which shall include debts for which payments are past due by sixty (60) days or more.
- 7.4.6 The Charter School shall notify the Authority immediately if at any time the Charter School receives notice or is informed that the Charter School or the Authority are parties to a legal suit.

7.5 **Intervention**

- 7.5.1 Consistent with any oversight practices set out in the Charter School Performance Framework, the Authority shall follow a progressive system of notification and calls for corrective action on the part of the Charter School.
- 7.5.2 Any complaints or concerns received by the Authority about the Charter School or its operation including but not limited to complaints filed with the Office for Civil Rights, the Nevada Attorney General's Office, and Equal Employment Opportunity Commission, shall be forwarded promptly by the Authority to the Charter School.
- 7.5.3 The Charter School shall promptly forward to the Authority any formal complaints or concerns received by the Charter School filed with or from the Office for Civil Rights, the Nevada Attorney General's Office, Equal Employment Opportunity Commission, and/or formal grievances filed by any party with the Charter Board. Such forwarding of complaints or concerns shall not relieve Charter School of the responsibility of resolving the complaints or concerns.
- 7.5.4 The Charter School shall indemnify the Authority for any costs, attorney fees, and/or financial penalties imposed on the Authority by state and/or federal

authorities due to actions or omissions of the Charter School relative to regulatory compliance.

- 7.5.5 To the extent that concerns or complaints received by the Authority about the Charter School may trigger Authority intervention, including termination or non-renewal of the Charter Contract, the Authority may monitor the Charter School's handling of such concerns or complaints. In such cases, the Authority may request and the Charter School shall provide information regarding the Charter School's actions in responding to those concerns or complaints.

Part 8: Termination and Default Termination

8.1 Termination

- 8.1.1 As provided by law, this Charter Contract may at any time be terminated by the Authority before its expiration upon determination and majority vote of the Authority that the Charter School, its officers or its employees:
- 8.1.1.1 Committed a material breach of the terms and conditions of the Charter Contract;
 - 8.1.1.2 Failed to comply with generally accepted standards of fiscal management;
 - 8.1.1.3 Failed to comply with the provisions of NRS 386.490 to 386.610, inclusive, or any other statute or regulation applicable to charter schools; or
 - 8.1.1.4 Persistently underperformed, as measured by the performance indicators, measures and metrics set forth in the Charter School Performance Framework for the Charter School.
 - 8.1.1.5
- 8.1.2 The Charter Contract may be terminated by the Authority if the Charter School has filed for a voluntary petition of bankruptcy, is adjudicated bankrupt or insolvent, or is otherwise financially impaired such that the Charter School cannot continue to operate.
- 8.1.3 The Charter Contract may be terminated by the Authority if the Authority determines that termination is necessary to protect the health and safety of the pupils who are enrolled in the Charter School or persons who are employed by the Charter School from jeopardy, or to prevent damage to or loss of property of the school district or the community in which the Charter School is located.
- 8.1.4 The Charter Contract may be terminated by the Authority if the Authority determines that the committee to form the charter school or charter management organization, as applicable, or any member of the committee to form the charter school or charter management organization, as applicable, or the governing body of the charter school has at any time made a material misrepresentation or omission concerning any information disclosed to the Authority

8.1.5 The Charter Contract may be terminated by the Authority if the Authority determines that the charter school operates a high school that has a graduation rate for the immediately preceding school year that is less than 60 percent;

8.1.5.1 For the graduating cohorts, as defined by NAC 389.0246, of 2016, 2017, and 2018 the Charter School's Charter Contract shall not be eligible for termination based on a graduation rate, as calculated by the Nevada Department of Education, below 60%. However, the Charter School shall be eligible for reconstitution of its governing board or appointment of a receiver if its graduation rate is below the benchmarks established by this section. For the graduating cohorts included in this section, judicial review of any decision to reconstitute the governing board, or appoint a receiver under this section or NRS 388A.330(1)(e) shall be limited to a review of whether the school has or has not achieved the annual graduation rate target. Graduation rate benchmarks: he Charter School Performance Framework for the Charter School.

Cohort 2016: 45%

Cohort 2017: 52%

Cohort 2018: 60%

Should the Charter School, by November 1, 2016, submit an authorized request to change its enrollment policy and make other changes necessary or advisable for the school to seek entrance into the statutorily created Alternative Framework, the Authority shall work in good faith with the Charter School to revise these benchmarks to reflect the school's requested changes. Any revisions to the benchmarks in this section will not be effective unless the Authority approves the Charter's School's requests made pursuant to this section.

Comment [GD01]: Beacon Academy has requested that the Authority include language allowing benchmarks to be revised in the event that the school chooses to attempt to transition to the Alternative Framework. This language was included in their contract to address this request.

It is included here so that Connections Academy understands that treated similarly if it made a similar request.

8.1.6 The Charter Contract may be terminated by the Authority if the Authority determines that the charter school operates an elementary or middle school or junior high school that is rated in the lowest 5 percent of elementary schools, middle schools or junior high schools in the State in pupil achievement and school performance, as determined by the Department pursuant to the statewide system of accountability for public schools; or

8.1.7 The Charter Contract may be terminated by the Authority if the Authority determines that pupil achievement and school performance at the charter school is unsatisfactory as determined by the Department pursuant to criteria prescribed by regulation by the Department to measure the performance of any public school.

8.1.8 In any instance of termination, the Authority shall provide to the Charter School written notice of termination, which notice shall include its findings and reasons for such action, and adhere to the process outlined in NRS

386.535.

8.2 Default Termination

8.2.1 The Authority shall terminate the Charter Contract if the school receives in any period of 5 consecutive school years, three annual ratings established as the lowest rating possible indicating underperformance of a public school, as determined by the Department pursuant to the statewide system of accountability for public schools. The charter school's annual rating pursuant to the statewide system of accountability based upon the performance of the charter school for any school year before the 2015-2016 school year must not be included in the count of annual ratings for the purposes of this subsection.

8.3 Other Remedies

8.3.1 The Authority may impose other appropriate remedies for breach including, but not limited to, a required corrective action plan.

Part 9: Closure

9.1 Closure

9.1.1 In the event that the Charter School is required to cease operation for any reason, including but not limited to non-renewal, termination, or voluntary surrender of the Charter Contract, the Charter School shall cooperate fully with the Authority to ensure the orderly closure of the Charter School in a manner consistent with state law and regulation (NRS 386.536), including, but not limited to:

9.1.1.1 Securing student records; assisting students with their enrollment in other schools; financial responsibilities and preserving financial records.

Part 10: Dispute Resolution

10.1 Dispute Resolution

10.1.1 Parties agree to implement the following dispute resolution plan in good faith:

For purposes of this section, a "dispute" is a disagreement over a non-material matter concerning the operation of the charter school. In the event a dispute arises between the Charter School and the Authority or its staff, the charter school shall submit, in writing, a statement outlining its complaint and proposed resolution to the Director of the Authority or his/her designee for review. The Director will respond to the complaint and proposed resolution, in writing, within thirty (30) calendar days outlining whether or not he/she agrees with the complaint and whether he/she accepts the proposed resolution or offers an alternative resolution to the complaint. If the charter school is not satisfied with the response from the Director, it may request, in writing, a review by the ~~President~~ Board Chair of the Authority. The Board Chair ~~President~~ of the Authority will respond, in writing, within fifteen (15) calendar

days stating whether or not he/she agrees with the complaint and if so, whether he/she agrees with the proposed resolution, or proposing an alternative resolution to the charter school. In the event these representatives are unable to resolve the dispute informally, pursuant to this procedure, the complaint and proposed resolution will be submitted to the Authority at the next available meeting for its consideration. The Authority will decide whether or not it agrees with the complaint or any proposed resolution. Any decision by the Authority is final.

Part 11: School Performance Standards and Review

11.1 Performance Standards

11.1.1 The Charter School Performance Framework is composed of indicators, measures, metrics, targets, and ratings to measure the academic, financial, organizational and mission specific, if applicable, performance of the Charter School. Pursuant to NRS 386.527, the performance framework is incorporated into this Charter Contract as set forth in the Charter School Performance Framework in Exhibit #1.

11.1.1.1 The Authority may, upon request for a material amendment from the Charter Board, include additional rigorous, valid and reliable performance indicators that are specific to the Mission of the Charter School and complementary to the existing measures.

11.1.1.2 The Charter School Performance Framework shall supersede and replace any and all assessment measures, educational goals and objectives, financial operations metrics, and organizational performance metrics set forth in the approved Charter Application and not explicitly incorporated into the Charter School Performance Framework. The specific terms, form and requirements of the Charter School Performance Framework, including any required indicators, measures, metrics, and targets, are determined by the Authority and will be binding on the Charter School.

11.1.2 According to the Charter School Performance Framework, the Charter School shall annually:

11.1.2.1 Meet or exceed standards on the academic indicators;

11.1.2.2 Demonstrate financial sustainability through meeting standards on the financial indicators;

11.1.2.3 Operate in compliance with the terms and conditions of this Charter Contract; and

11.1.2.4 If applicable, demonstrate sound performance on mission specific indicators.

11.2 Review

- 11.2.1 The Authority shall monitor and periodically report on the Charter School's progress in relation to the indicators, measures, metrics and targets set out in the Charter School Performance Framework. Such reporting shall take place at least annually.
- 11.2.2 The Charter School's performance in relation to the indicators, measures, metrics and targets set forth in the Charter School Performance Framework shall provide the basis upon which the Authority will decide whether to renew the Charter Contract at the end of the term.
- 11.2.3 The Parties intend that, where this Charter Contract references or is contingent upon state or federal accountability laws, that they be bound by any applicable modification or amendments to such laws upon the effective date of said modifications or amendments. The specific terms, form and requirements of the Charter School Performance Framework may be modified or amended to the extent required to align with changes to applicable state or federal accountability requirements, as set forth in law. In the event that any such modifications or amendments are required, the Authority will use best efforts to apply expectations for school performance in a manner consistent with those set forth in the Charter School Performance Framework as initially established in the Charter Contract.
- 11.2.4 While both parties acknowledge that importance of the Charter School Performance Framework, and the Authority's obligation to consider the Charter Schools performance under the Charter School Performance Framework in any decision that results in reconstitution, revocation, or termination of a charter contract, the parties also acknowledge that the Authority may reconstitute the board, revoke the charter, or terminate the charter contract prior to its expiration of a school with acceptable performance under the Charter School Performance Framework if allowed by NRS 386.535.

Part 12: Contract Construction

12.1 Entire Charter Contract

- 12.1.1 The Parties intend this Charter Contract, including all exhibits hereto, to represent a final and complete expression of their agreement, which shall be considered the Charter Contract. All prior representations, understandings and discussions are merged herein, and no course of prior dealings between Parties shall supplement or explain any terms used in this document. The Parties recognize that amendments to this Charter Contract may be approved from time to time hereafter.

12.2 Authority

- 12.2.1 The individual officers, agents and employees of the Parties do hereby individually represent and warrant that they have full power and lawful authority to execute this Charter Contract.

12.3 **Notice**

- 12.3.1 Any notice required, or permitted, under this Charter Contract shall be in writing and shall be effective upon personal delivery, subject to verification of service or acknowledgment of receipt, or three (3) days after mailing when sent by certified mail, postage prepaid to the following:

In the case of State Public Charter School Authority:
Director
1749 N. Stewart St, Suite 40
Carson City, NV 89706

In the case of Charter School:

Beacon Academy of Nevada
7360 West Flamingo Rd.
Las Vegas NV 89147

12.4 **Waiver**

- 12.4.1 The Parties agree that no assent, express or implied, to any breach by either of them of any one or more of the covenants and agreements expressed herein shall be deemed or taken to constitute a waiver of any succeeding or other breach.

12.5 **Non-Assignment**

- 12.5.1 Neither party to this Charter Contract shall assign or attempt to assign any rights, benefits, or obligations accruing to the party under this Charter Contract unless the other party agrees in writing to any such assignment.

12.6 **Applicable Law**

- 12.6.1 This Charter Contract shall be governed by and construed in accordance with the laws of the State of Nevada, including all requirements imposed by regulation and Authority policy, and all applicable federal laws of the United States.
- 12.6.2 The Parties intend that, where this Charter Contract references federal or state laws, they be bound by any amendments to such laws upon the effective date of such amendments.

12.7 **Material Amendments**

- 12.7.1 Material amendments require Authority approval. Pursuant to NRS 386.527 any material amendment to this Charter Contract will be effective only if approved in writing by the Authority. The proposed amendment must be submitted in a manner consistent with applicable law and regulation and defined in the Operations Manual. A material amendment shall not become effective and the Charter School shall not take action or implement the change

requested in the amendment until the amendment is approved, in writing, by the Authority. Changes in operation that are considered material and require the Charter School to obtain an amendment to this Charter Contract include, but are not limited to, the following:

- 12.7.1.1 Change in the Charter School's Pre-Opening Conditions (see 1.9.1);
- 12.7.1.2 Change in the Charter School's location (change of site and/or adding or deleting sites) (see 1.7.4);
- 12.7.1.3 Changes to the Mission Statement (see 2.2.1);
- 12.7.1.4 Elimination of a grade level served or expansion to serve a grade level not served (see 2.3.3);
- 12.7.1.5 10% annual increase or decrease in total enrollment pursuant to 2.3.3 of this Charter Contract;
- 12.7.1.6 Changes to the name of the Charter School;
- 12.7.1.7 Entering into a contract with an Educational Management Organization or terminating a contract with an Educational Management Organization pursuant to 2.10.2.4 of this Charter Contract;
- 12.7.1.8 Changes to the Mission Specific indicators (see 11.1.1.1);
- 12.7.1.9 Changes to pupil transportation plans (see 2.13.2).

12.8 Non-Material Change - Notification Required

12.8.1 Changes to this Charter Contract listed below do not require amendment as described in NRS 386.527; rather, such changes shall be accomplished through written notification. Changes requiring notification include, but are not limited to:

- 12.8.1.1 Mailing address, phone and fax number of the Charter School;
- 12.8.1.2 Changes in the lead administrator of the Charter School;
- 12.8.1.3 Changes in the composition of the Charter Board (see 1.5.5.2);
- 12.8.1.4 Changes to the Bylaws and/or Articles of Incorporation (see 1.5.5.1); and

12.9 Other Changes – Determination as Material or Non-Material, Requiring Notification or Not.

12.9.1 The Charter School may, from time to time, contemplate a change to the Charter School that is not identified within this Charter Contract as a Material Amendment or as a Non-Material Change that requires notification. In such an event, the Charter School is obligated to request, in writing, the determination of the Authority as to whether or not such a change requires a Material Amendment (12.7) or Notification (12.8).

12.10 Severability

12.10.1 The provisions of this Charter Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition, and the remainder of the Charter Contract shall remain in effect unless otherwise terminated by one or both of the Parties.

12.11 **Third Parties**

12.11.1 This Charter Contract shall not create any rights in any third parties who have not entered into this Charter Contract; nor shall any third party be entitled to enforce any rights or obligations that may be possessed by either party to this Charter Contract.

12.12 **Counterparts; Signatures**

12.12.1 The Charter Contract may be signed in counterparts, which shall together constitute the original Charter Contract. Signatures received by facsimile or email by either of the Parties shall have the same effect as original signatures.

12.13 **Material Breach**

12.13.1 A material breach is defined as a violation of this Charter Contract which is substantial and significant as determined by the Authority.

Signature Page

IN WITNESS WHEREOF, the Parties have executed this Charter Contract:

President, Charter School Governing Body

Please print your name: _____

Date: _____

Chair, State Public Charter School Authority

Please print your name: _____

Date: _____

EXHIBIT #1

Charter School Performance Framework

EXHIBIT #2

Articles of Incorporation, if applicable

Not Applicable

EXHIBIT #3

Charter Application

On File at SPCSA

EXHIBIT #4

Pre-Opening Conditions

Not Applicable