



STATE PUBLIC CHARTER SCHOOL AUTHORITY

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

BRIEFING MEMORANDUM

TO: SPCSA Board

FROM: Mike Dang, Management Analyst
Mark Modrcin, Director of Authorizing

SUBJECT: Agenda Item 14: Elko Institute of Academic Achievement Amendment Request pursuant to NAC 386.3265

DATE: December 14, 2018

Elko Institute of Academic Achievement (EIAA), operating under a charter contract entered into in 2015, is located in Elko, Nevada, and is currently rated as a 3-star elementary school and a 5-star middle school, serving 189 students total in Kindergarten through 8th grade. EIAA is requesting an amendment to its charter contract to allow it to relocate to a new facility for the 2019 – 2020 school year, with no increase in grade levels or enrollment. As discussed below, staff recommends approval of the amendment request, with conditions.

Summary of Request:

EIAA's mission is to provide students, Kindergarten through eighth grade, with an education that is differentiated and will address the academic ability in each subject area while ensuring high academic standards. In order for the school to achieve its mission, the school has relied on its curriculum, strong teachers, and increasing technology opportunities for students. EIAA currently serves 189 students as of Validation Day - October 1st, with approximately 22 students in each grade. According to the amendment proposal, over 70% of the current students reside within school zones that consist of schools that are either 1 or 2-star schools.

EIAA is requesting an amendment to their current charter so as to allow the school to relocate to a new facility within a mall. According to the amendment submission, the proposed facility consists of approximately 3,000 more square feet and the landlord of the proposed location will deliver the space fully built out to include all classrooms with no financial obligations on the school for improvement. Additionally the school would have access to an outdoor playground area for the first time. The proposed facility is located approximately 2.1 miles from the school's current location and therefore would not negatively impact the population currently being served.

The school has been located in a warehouse facility since 2009, which originally contained no walls. The facility has undergone improvements since the school opened, including walls being constructed in 2010 and the addition of ceilings and lights in 2014. The current ten-year lease will expire in September 2019 and calls for an annual payment of \$125,000 with a 3% increase each year. The new proposed lease would be \$129,195 per year with a \$3.25 square foot triple net.

Given the very limited opportunities for future development within the current facility and a proposed increase in the monthly rent amount, it was determined by the governing body that relocating the school to a different location would be the best option. Moreover, based on the school's current enrollment and the projected DSA payments from the state, EIAA's auditor is confident that the school's new lease would not exceed 10% of the school's budget. Additional philanthropic funding would not be necessary and the school does not have any other financial obligations beyond a monthly lease payment.

The school has engaged with the community and its current student and families about this move. The first week of school, EIAA held a parent-student math/ice cream social night which also served as an opportunity for parents to be involved in identifying their expectations of our learning environment. The Parent Teacher Student Organization (PTSO) has also been a key lever the school has utilized to communicate the plans for relocation, and members have attended monthly teacher professional development days so as to stay involved in this process. Lastly, according to the submission, the school's seventh grade math class is using this school year to complete a project-based learning project that includes conceptual designs, supply lists and budgets, 3D models, cost analysis and statistical analysis for the new proposed school space. This project has increased the investment of students and parents in the proposed new building while also informing the design of the new space. The school plans to continue to involve parents and community members in the relocation process.

The new facility would provide more useable room for students. The school's six-year vision is to expand the Kindergarten through eighth grade by one classroom each, bringing the total student capacity to 396 (up from 198). Based on the information provided, it appears that this expansion could be accommodated in the new proposed facility.

It should be noted that EIAA is not requesting to expand to additional grades, campuses, or to enroll additional students in pre-approved grades in this amendment application. Rather, this request is solely to relocate to a new campus for the 2019 – 2020 school year.

Legal Authority and Requirements Related to Amendment Requests:

Pursuant to NRS 388A.276 and NRS 388A.279, the Authority may, at a duly noticed public meeting, approve, approve with conditions, or deny a request to amend a charter contract. Specifically, a charter school may apply to amend its charter contract to add additional grade levels, increase or decrease enrollment, acquiring additional facilities (including relocation), or consolidating existing facilities. Section 7(2)(f) of R089-16A (effective December 21, 2016) provides that an amendment requesting permission to relocation to a new facility which will not have the effect of increasing enrollment must be approved by the Authority. This approval cannot be delegated to Authority staff.

The Authority must deny any such amendment request if the charter school is not meeting the requirements established in the performance framework incorporated into each charter contract, or if the charter school does not have a comprehensive and feasible plan related to the proposed

amendment. Furthermore, Nevada's regulations related to charter schools allows the Authority to deny a request to amend its charter contract to occupy a new or additional facility if the charter school is not ranked in the first, second, or third tier of Nevada's statewide system for accountability for public schools. See NAC 386.3265 and NAC 386.3266. Finally, when considering a request to amend a charter contract, the Authority may consider the charter school's compliance with local, state, and federal laws and regulations related to the charter school's academic, financial and organizational framework and performance. See Section 7 of R089-16A. Additionally, Section 9 of R089-16A provides that the Authority may impose conditions on the approval of a charter contract or a charter contract amendment.

Recommendation: Approve with Conditions

EIAA has been classified as at least a 3-star school since the inception of the Star rating system, and exhibits healthy enrollment and strong financial viability. Furthermore, the current facility EIAA occupies is less than ideal for a number of reasons, most notably the delivery of high-quality student instruction in a conducive atmosphere. SPCSA staff agrees with the school that the opportunity to relocate to a more school-like setting should serve the students and community well.

The school is targeting the 2019 – 2020 school year to open the new campus, affording over nine months for the school to approve work permits, meet local, state and federal requirements, hold any necessary community meetings, design the space within the facility, and pass final inspections for occupancy. Additionally, the school is able to take on additional debt (if necessary) and costs to complete this project without jeopardizing the school are minimal. As noted in the application, the only additional expense is the one-time cost to physically move the school property.

SPCSA recommends approval, but with conditions that ensure the school remains financially stable and the remodel/modification of the proposed facility remains schedule, allowing for students to begin class for the 2019 – 2020 school year on time. The following should be submitted by the school to SPCSA staff at an agreed-upon date prior to the start of next school year:

- Final lease agreement for the property
- Building inspector report
- Final Inspection of the new facility
- All other materials required by state and federal law and regulation
- School safety plan to adequately address the proposed location within a commercial shopping area

It should be noted that the charter for EIAA expires on June 30, 2021. This conditional approval does not supersede that obligation, nor does it imply that the school will be renewed. If the school were currently up for renewal, staff would have a positive recommendation given available data and historical performance.

EIAA was renewed by the State Public Charter School Authority in 2015, and currently operates under a charter contract. The school has not received any notices of concern or breach related to its academic, financial, or organizational performance. The elementary school is currently rated as a 3-star ES program, while the middle school is rated as a 5-star program.

Historical Enrollment:

Year	K	1	2	3	4	5	6	7	8	9	10	11	12	Grand Total
14-15	22	22	22	20	22	21	22	14	17	0	0	0	0	182
15-16	18	20	22	18	22	22	22	19	15	0	0	0	0	178
16-17	20	21	21	20	20	21	17	22	10	0	0	0	0	172
17-18	18	21	21	22	22	20	18	17	14	0	0	0	0	173
18-19	22	22	21	22	22	22	22	22	14	0	0	0	0	189

* EIAA proposes to relocate to the new facility during the 2019 – 2020 school year.

Academic Background:

Elko Institute for Academic Achievement Charter School Academic Performance

Source: Nevada Department of Education

Year	NSPF Rating
2018	Elementary: 3 Star Middle School: 5 Star High School: N/A
2017	Elementary: 3 Star Middle School: 4 Star High School: N/A
2016	No star rating published by State
2015	Elementary: 3 Star (frozen from 2014) Middle School: 4 (frozen from 2014) High School: N/A
2014	Elementary: 3 Star Middle School: 4 Star High School: N/A
2013	Elementary: 3 Star Middle School: 4 Star High School: N/A
2012	Elementary: 3 Star Middle School: N/A High School: N/A

School Demographics since 2015

Source: Nevada Department of Education

Elko Institute	A	B	C	H	I	M	P	FRL	IEP	ELL
15-16	2.20%	0.60%	74.70%	16.90%	3.90%	1.70%	0.00%	24.70%	11.20%	1.10%
Elko Institute	A	B	C	H	I	M	P	FRL	IEP	ELL
16-17	4.70%	0.60%	69.20%	19.20%	4.70%	1.20%	0.60%	23.80%	9.30%	1.20%
Elko Institute	A	B	C	H	I	M	P	FRL	IEP	ELL
17-18	4.00%	2.30%	69.90%	16.80%	4.60%	1.70%	0.60%	5.20%	10.40%	0.00%
Elko Institute	A	B	C	H	I	M	P	FRL	IEP	ELL
18-19	3.2%	3.2%	68.8%	18.5%	3.7%	2.1%	0.5%	32.3%	9.5%	0.0%

AI/AN – American Indian/Alaskan Native

A – Asian

B – Black

C – Caucasian

H – Hispanic

I – American Indian/Alaskan Native

M – Two or more races

P – Pacific Islander

FRL – A student who qualifies for Free or Reduced-Price Lunch

IEP – Individualized Education Plan –A student with a disability/special education student

ELL – English Language Learner