

Exhibit 23

Exhibit 23



August 17, 2017

Superintendent Steve Canavero
Nevada Department of Education
700 E. Fifth Street
Carson City, NV 89701

Dale Norton
President

Teri White
Vice President

Wayne Workman
Secretary-Treasurer

President's Contact Information

Dale Norton, Superintendent
Nye County School District
484 S. West Street
Pahrump, NV 89048

Phone: 775-727-7743
Fax: 775-727-7768
E-mail: dnorton@nye.k12.nv.us

Dear Superintendent Canavero,

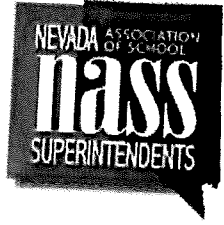
We are writing on behalf of the students, families, educators, and larger education community of the State of Nevada with concerns regarding the Nevada School Performance Framework rollout, presumably to occur in September. Our concerns center mainly on the timing, given recent changes to the point attributions, which we by now empirically know will thrust star classifications dramatically downward for no evidenced based reason. We have additional concerns about specific measures and their reliability and validity, and large gaps in point allocation structures that affect a school's ability to earn incremental points for incremental gains. In short, we are concerned the NSPF rollout will not have the coherence and defensibility necessary to create buy-in from the more than one million Nevada stakeholders affected by it. Listed, briefly, are a few main concerns, but we would be happy to discuss these concerns in more detail at a later meeting.

- **Timing and communication.**

- As concerned leaders of our districts, we would have liked to have been part of discussions earlier. A clear signal could have been sent to all schools at the beginning of the 2016-2017 school year regarding specific accountability measures and their weights in the framework. It was not. Rather, scores may, for the first time, be communicated publicly next month, though detailed guidance regarding any of the specific component measures and their "performance to points" attributions which have never been provided to schools. We have seen a "Draft NSPF Guidance" document, emailed in June, but were specifically asked not to share it with principals as pieces were still under development.
- Clear communication could have been provided about the Department's intent to make it more difficult to earn higher star classifications. It is our understanding this decision was made very recently, even after the NSPF technical committee advised against it in April.

- **Limited reliability on primary measures.**

- As you are aware, the Student Growth Percentile model counts as a primary strength its ability to compare student growth



against “academic peers,” which are intended to be mathematically devised over several previous performance years. This year’s growth model will rely on only one prior year to establish peer groups since the first successful SBAC administration occurred in 2016. The SGP model for Adequate Growth Percentile also generally seeks to establish growth projections based on multiple years of empirical data and derived peer groups. While we know it is *possible* to compute growth scores with only two years of data, it has been well documented that SGP reliability is limited to begin with, and even less so with only one year of prior performance data.

- The AGP measure for EL students is being computed even though this year’s test was based on new standard-setting, and thus on an all new pathway of reaching those standards. Again, although this measure can, *technically*, be calculated, EL AGP does not *credibly* measure a school’s ability to support that new pathway at this point.

- **The inability to score a full range of points.**

- Based on the “Draft” document we were provided in June, there are large gaps between point-allocations. For example, on the pooled proficiency measure, a school can earn either 0, 10, 15, 20, or 25 points. There should be an opportunity to earn every point between 0 and 25. Surely there is a difference between a school with 0% proficiency and a school with 38% proficiency. Just as there is a difference between a school with 40% proficiency and a school with 50% proficiency. A school should expect to gain reasonable points for reasonable gains. This should be true for all measures.

- **The use of End-of-Course Exam Achievement Level performance for 2017 grade eleven and twelve students.**

- These students only had *participation* requirements for the EOC, thus there is a credible reason to believe their assessment results are not a valid measure for the performance framework.

As educators who care deeply about students, we can assure you that our system will embrace rigor, particularly if it is communicated well and we have the opportunity to articulate a support pathway that is responsibly aligned with the new measures. As your accountability consultant David Steiner wrote in his article on embracing the new rigor in assessments, “*such a shift would need to be strongly signaled and carefully phased in over time*” (Steiner 2014). As school superintendents, we have significant concerns that we only have once chance to roll out the new NSPF. If it lacks strong

- Dale Norton
President
- Teri White
Vice President
- Wayne Workman
Secretary-Treasurer

President’s Contact Information
 Dale Norton, Superintendent
 Nye County School District
 184 S. West Street
 Pahrump, NV 89048
 Phone: 775-727-7743
 Fax: 775-727-7768
 Email: dnorton@nye.k12.nv.us



Dale Norton
President

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Vice President

Wayne Workman
Secretary-Treasurer

President's Contact Information

Dale Norton, Superintendent
Nye County School District
484 S. West Street
Pahrump, NV 89048

Phone: 775-727-7743
Fax: 775-727-7768
E-mail: dnorton@nye.k12.nv.us

credibility and reliability, and if specific measures and point attributions were never clearly communicated, we fear that the expected low ratings will lead to defensiveness and criticisms of specific framework components. This will quickly undermine the framework and the ability to use it as an organizing principle for alignment, coherence, and accountability.

It is our understanding that Nevada is not required to provide school ratings until September of 2018. We implore you to seriously consider providing a "soft launch" of NSPF this year, with a reporting of school performance on the available measures, but no star classifications attached. This will allow our system and our educators to align performance plans and supports toward increased performance and NSPF success. From there, we know our schools will help propel Nevada to becoming the fastest improving state in the nation.

Sincerely,

Dale A. Norton, President *(in conjunction with members of NASS)*
Nevada Association of School Superintendents

cc: **Honorable Brian Sandoval, Governor**

Exhibit 24

Exhibit 24

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

VIA ELECTRONIC MAIL ONLY

February 5, 2018

Kara B. Hendrick
Greenberg Traurig, LLP
3773 Howard Hughes Parkway, Suite 400 North
Las Vegas, Nevada 89169
hendricksk@gtlaw.com

Re: Nevada Virtual Academy

Kara,

Thank you very much for the PowerPoint presentation regarding the K8 Continuous Improvement Plan and Evaluation that you recently provided to me. As you know, we are scheduled to talk tomorrow, February 6, 2018, at which time I am happy to discuss the PowerPoint presentation, as well as the issues described in greater detail below.

As we recently discussed, given the performance of Nevada Virtual Academy, and particularly NVA's elementary school, SPCSA Staff has been discussing how best to proceed. In this regard, SPCSA Staff had determined to recommend that the SPCSA Board issue a Notice of Intent to Terminate NVA's Charter School Contract at the next regularly-scheduled Board meeting, currently scheduled for February 16, 2018. As you know, NVA currently operates under a charter contract that expires on June 30, 2019.

Procedurally, this process will work as follows: First, at the February 18, 2018 Board meeting, the SPCSA Board will determine whether to issue a Notice of Intent to Terminate NVA's Charter Contract ("the Notice"). In the event that the Board does, in fact, determine that it will issue the Notice, pursuant to NRS 388A.330 NVA will then be provided with a period of time not less than 30 days to correct the deficiencies outlined in the Notice. SPCSA Staff envisions that this would take the form of a proposal under which NVA plans to improve the academic performance of its elementary school. SPCSA Staff will then provide the Board with its recommendation regarding NVA's proposed plan at the SPCSA Board meeting currently scheduled for March 23, 2018. At this Board meeting, the SPCSA Board will vote to determine whether NVA's plan is acceptable to the Board.

If the Board accepts NVA's proposed plan, the Notice may be rescinded, and the Board, at its discretion, may determine that no further action is necessary. In the event that the SPCSA Board rejects NVA's proposed plan, we will move forward with a revocation hearing in accordance with NRS 388A.330.

Please note that when the agenda and supporting documentation for the February 16, 2018 Board meeting is posted in accordance with NRS Chapter 241, SPCSA Staff anticipates that a proposed Notice will be included along with Staff's recommendation, and the proposed Notice will include all of the foregoing information.

Finally, please note that NVA's charter school contract expires June 30, 2019, and nothing herein or in regard to the Notice or any related proceedings shall prejudice or otherwise limit the SPCSA in regard to any potential renewal application or related proceedings.

As always, please feel free to contact me with any questions or concerns.

/s RWH

Ryan Herrick
General Counsel

cc: Patrick Gavin, Executive Director (*via email only*)
Mark Modrcin, Director of Authorizing (*via email only*)
Jason Guinasso; Chair, State Public Charter School Authority (*via email only*)
Melissa Mackedon, Vice Chair (*via email only*)
Shelia Moulton, Member (*via email only*)
Nora Luna, Member (*via email only*)
Stavan Corbett, Member (*via email only*)
Jeff Hinton, Member (*via email only*)
David Gardner, Member (*via email only*)

Exhibit 25

Exhibit 25



Kara B. Hendricks
Tel 702.792.3773
Fax 702.792.9002
hendricksk@gtlaw.com

February 14, 2018

VIA U.S. MAIL & ELECTRONIC MAIL

Ryan Herrick
General Counsel
State Charter School Authority
1749 North Stewart Street, Ste. 400
Carson City, NV 89706-2543
rherrick@spcsa.nv.gov

Re: Nevada Virtual Academy

Dear Mr. Herrick:

This correspondence is sent in response to your February 5, 2018 correspondence regarding Nevada Virtual Academy ("NVVA" or "the School") and the upcoming meeting of the State Public Charter School Authority ("SPCSA"). We understand that NVVA is on the Agenda for the February 16, 2018 SPCSA meeting and that Staff intends to recommend that a Notice of Intent to Terminate NVVA's charter school contract be issued. As detailed below, we believe a Notice of Intent to Terminate should not be issued for a number of reasons including: 1) the quick response NVVA provided to Staff after first being questioned regarding plans for the elementary school program going forward including but not limited to the School's immediate submittal of plan that demonstrates a commitment to improvement; 2) NVVA's willingness to submit a formal turnaround plan without a Notice of Intent to Terminate issuing; and 3) flaws in the legal analysis and procedural steps proposed by Staff and lack of data previously available.

As a preliminary matter, it is important to note that NVVA has high school, middle school and elementary school programs. NVVA's high school program achieved an 84% graduation rate for the 2017 school year, higher than the state average, and NVVA's middle school program received a 3-Star rating, up from a 2-Star rating during the 2012-13 school-year. However, despite showing improvements in areas such as math proficiency and English proficiency, NVVA's elementary school received a one star rating and saw deficiencies in several areas including chronic absenteeism and engagement, and the School's lowest performing students were identified as not progressing fast enough to be proficient within 3 years.

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GREENBERG TRAUIG, LLP ■ ATTORNEYS AT LAW ■ WWW.GTLAW.COM
3773 Howard Hughes Parkway ■ Suite 400 North ■ Las Vegas, NV 89169 ■ Tel 702.792.3773 ■ Fax 702.792.9002

In addition to the foregoing, there are a number of legal issues that should preclude the proposed action. Notably, the Briefing Memorandum provided by Staff to SPSCA's Board does not reference Nevada's Administrative Procedures Act which further defines the rights of the parties involved. While we trust that was just an oversight by Staff, we do hereby request clarification from the SPSCA that the process will be governed by the Administrative Procedures Act.

Additionally, there have been a number of changes that affected the School and its ability to track its performance including the precarious state of testing data over the last several years, the suspension of the charter school academic framework, the fits and starts in the star rating system utilized by the Nevada Department of Education, and revisions to Nevada's statutes governing charter schools. Given these changes and the fact that the recommended action is based on data from 2013, 2014 and 2017 (not consecutive academic reporting cycles), the ability of the Authority to jump to a Notice of Intent to Terminate appears contrary to the existing Charter Contract and attachments thereto.

Additionally, NVVA's elementary school program is not the "charter school" nor does it hold a charter contract, which are conditions required under NRS 388A.330 in order to take the recommended action. That provision of law also requires that the recommended action be based on performance of the charter school under the school's performance framework, a framework that is currently suspended and cannot be used as a basis to close the school.

Moreover, the use of 2012 and 2013 data as the basis for the recommended action is prohibited by statute. Based on AB 205, the charter contract, and the performance framework, no data prior to the 2013-2014 school year can be used for these purposes. Please note that this correspondence is not intended to fully brief these and/or other legal arguments NVVA may have and should not be considered an admission of liability and/or a waiver of any of NVVA's administrative or judicial rights. Indeed, NVVA is hopeful this matter can be resolved without the need for legal action as there are serious violations of statute and due process at stake.

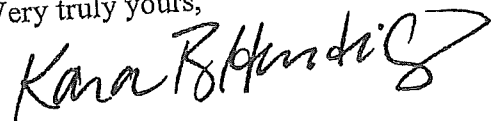
We are disappointed that Staff is taking such aggressive action shortly after the Nevada Star Ratings were issued for the first time in multiple years and without first attempting to work through the issues with the School. Such action is premature and unnecessary. This was not situation where NVVA and the Authority Staff were at an impasse that escalated to a Notice of Intent to Terminate. In fact, the parties had not discussed performance issues in over a year, and recent conversations were cordial. NVVA is willing to work with SPSCA Staff and will voluntarily submit an elementary school program turn-around plan for review and evaluation.

Ryan Herrick
General Counsel
State Charter School Authority
February 14, 2018
Page 4

NVVA hopes that the discussion at the upcoming Board meeting will be on the steps it is currently taking and/or planning to take to improve its elementary school program.

For all of the reasons stated above, we request mutual consent that this item be removed from the agenda so that we can schedule a time to discuss the outstanding legal issues as well as have School staff work on a turnaround plan. We hope the parties can work together in an amicable manner to improve NVVA's elementary school program and improve the education of the students enrolled. Should you have any questions or concerns regarding the above, please do not hesitate to contact me.

Very truly yours,



Kara B. Hendricks, Esq.

KBH/sn

cc: Samantha Morris
Yolanda Hamilton
Patrick Gavin
SPSCA Board Members
The Honorable Brian Sandoval
The Honorable Adam Laxalt

Exhibit 26

Exhibit 26



March 2, 2018

VIA U.S. MAIL & ELECTRONIC MAIL

Ryan Herrick
General Counsel
State Charter School Authority
1749 North Stewart Street, Suite 400
Carson City, NV 89706-2543
rherrick@spcsa.nv.gov

***Re: SPCSA's Comprehensive Restructuring Amendment for Schools Under a
Notice of Termination for the 2018-2019 School Year***

Dear Mr. Herrick:

I am writing as legal counsel to the Nevada Virtual Academy ("NVVA") with serious concerns over a document that the SPCSA staff is requiring my client to complete by April 2, 2018. I had previously inquired from you if there was any guidance document related to demonstrating that deficiencies listed in a Notice of Intent to Terminate have been cured. In response, NVVA received a "Comprehensive Restructuring Amendment for Schools Under a Notice of Termination For the 2018-2019 School Year" with instructions to complete the restructuring application by April 2, 2018. On your advice, Dr. Yolanda Hamilton, NVVA's Head of School, reached out to Mark Modrcin to clarify whether NVVA was being required to complete the document and all of its sections, and he confirmed yesterday by phone that the entire document should be populated by NVVA if they expect to receive a favorable decision at the April meeting. For the reasons outlined below, NVVA cannot agree to this request and will instead follow statute in this regard.

As a preliminary matter, I have reviewed the document, and it is clearly not intended for a school in NVVA's situation. Looking to the cover sheet, the document is meant for a school who has received a "notice of termination," not a notice of intent to terminate. The document is intended for the 2018-19 school year, but NVVA is in a cure period during the 2017-18 school year. It is also designed as an application for a school under a termination order to comprehensively restructure the school, whereas, state law only requires that NVVA demonstrate how it has addressed the alleged deficiencies at this phase in the proceedings. In fact, the Notice of Intent to Terminate signed by Chairman Guinasso specifically states that supporting materials "that the charter school chooses to provide to demonstrate that it has corrected the deficiencies must by [sic] uploaded into Epicenter by close of business on April 2, 2018." (emphasis added). However, SPCSA staff appear to be taking away the school's right to choose what supporting materials it wishes to submit to demonstrate alleged deficiencies have been cured and instead are demanding a comprehensive restructuring amendment. This is a serious process issue.

Ryan Herrick
General Counsel
State Charter School Authority
March 2, 2018
Page 2

My client will respond to the Notice of Intent to Terminate, but it would be entirely inappropriate and premature for my client to complete an application to comprehensively restructure the school when they are still in a cure period and no notice of termination has been issued. Accordingly, I would ask that you advise your client that the document is not a required document for NVVA to submit and that the school has discretion in what supporting material it wishes to submit.

My client is also concerned that SPCSA staff may retaliate against the school for not completing this cumbersome and inappropriate comprehensive restructuring application. As such, please confirm that SPCSA staff has been advised that NVVA need not complete the comprehensive restructuring application and that the school has discretion in what supporting documentation it wishes to submit and that no retaliatory action will be taken against NVVA for acting in a manner consistent with statute and the notice it was provided.

Please also know that while I am addressing this document and the Notice of Intent to Terminate from a process standpoint, my client has not waived its right to challenge the legality and appropriateness of the issuance of the Notice of Intent to Terminate in the first instance.

Very truly yours,



Kara Hendricks

KBH/sn

cc: Samantha Morris (*via electronic mail only*)
Patrick Gavin

Exhibit 27

Exhibit 27

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

VIA ELECTRONIC MAIL ONLY

March 8, 2018

Kara B. Hendricks
Greenberg Traurig, LLP
3773 Howard Hughes Parkway, Suite 400 North
Las Vegas, Nevada 89169
hendricksk@gtlaw.com

Re: Nevada Virtual Academy

Kara,

Thank you very much for your correspondence dated March 2, 2018. As a preliminary matter, I must take issue with several matters noted in your correspondence.

First, your correspondence misconstrues the conversations between you and I, as well as between Dr. Hamilton and Director Modrcin.

In regard to our conversations, at no time did you inquire of me if there was additional documentation further demonstrating the deficiencies listed in the Notice of Intent to Terminate NVA's charter contract. Instead, you inquired if there was any document that would provide NVA with some guidance as to what information the SPCSA would base its decision on in regard to whether or not NVA had corrected the deficiencies set out in the Notice. This is precisely what was provided to NVA.

In connection with Dr. Hamilton's conversation with Director Modrcin, I would initially note that during our conversation on February 21, 2018, when you expressed some concern to me regarding the form that was provided to NVA, I urged you to have NVA reach out to Director Modrcin to clarify any questions that NVA might have. After confirming with Director Modrcin on February 26, 2018, that no one from NVA had contacted him, I again spoke with you on February 27, 2018, and again urged NVA to contact Director Modrcin with any questions or concerns. On March 1, 2018, Dr. Hamilton contacted Director Modrcin.

Despite the assertions contained in your correspondence that Director Modrcin informed Dr. Hamilton that the entire form needed to be completed "if [NVA] expected to receive a favorable decision," after speaking with Director Modrcin it is clear that this is not the information that was provided to Dr. Hamilton. Instead, Director Modrcin and Dr. Hamilton had what was described to me as a very cordial conversation that clarified questions that NVA staff had regarding the provided form.

At the onset of their conversation, Dr. Hamilton expressed some concern over the length of the form template and the amount of detail it seemed to necessitate. Director Modrcin clarified to both Dr. Hamilton and Mr. Gerhardt, who was also on the call, that certain portions of the form may not be applicable to NVA given the instructional delivery method of a virtual school (i.e. facility amendment) and the proposed changes NVA believes are best to correct the deficiencies outlined in the Notice of Intent to Terminate. Additionally, Director Modrcin emphasized that the intent of this form was to capture all programmatic shifts that the school anticipates undertaking to correct the outlined deficiencies. By way of example, Director Modrcin referenced section 2.A of the form which contemplates the mission and vision of the school. Director Modrcin informed Dr. Hamilton and Mr. Gerhardt that this section may not be necessary to complete if NVA's leadership and NVA's Board determines that changing the mission and vision is not fundamental to correcting the identified deficiencies. At the end of the conversation, Director Modrcin did advise Dr. Hamilton and Mr. Gerhardt that populating this form in a thorough, robust manner would provide NVA with the best opportunity to present their plan. SPCSA staff is familiar with this template, is confident that it incorporates the necessary elements of school turnaround, and firmly believes it sets up any school for success in implementing changes to their academic program. Despite the implications contained in your correspondence, the conversation ended amicably. Director Modrcin had no reason to believe that the provided form was overly burdensome to the school given the clarifications provided to Dr. Hamilton and Mr. Gerhardt, both of whom indicated they would follow up if further explanation would be beneficial.

Furthermore, you seem to take issue with the title of the form that was provided to NVA referring to a "notice of termination" and not related to a notice of intent to terminate NVA's charter contract. This argument is a matter of semantics – the provided form is intended to provide NVA with some guidance as to the information that SPCSA staff is seeking in order to make its recommendation to the SPCSA Board. It was our understanding that this was what NVA was seeking. In this vein, we are concerned that NVA is more worried about the title of the document than providing information that will enable the SPCSA to make a determination regarding whether or not the deficiencies identified in the Notice of Intent to Terminate NVA's charter contract have been corrected.

Perhaps most importantly, you state several times in your correspondence that you are concerned regarding the documents, supporting material, and information that the SPCSA is "requiring" NVA to submit in connection with the Notice of Intent to Terminate NVA's charter contract. However, as mentioned above, neither myself nor Director Modrcin have stated that NVA is "required" to submit any particular information, or utilize any specific form. Instead, the message from the SPCSA has been clear – and is expressly stated in the Notice of Intent to Terminate NVA's charter contract – that NVA may submit anything, in any form, in support of NVA's corrective action. Again, the form provided to NVA was sent to NVA in order to allow NVA to see what information the SPCSA would be looking for in order to determine if NVA has corrected the deficiencies identified in the Notice.

In this regard, should NVA choose not to utilize the form that the SPCSA provided to NVA – which NVA may certainly choose not to utilize the provided form -- instead of informing me what NVA is not going to do (i.e., not utilize the provided form), please let me know what NVA plans to submit (i.e., in what format and what information NVA intends to provide to the SPCSA to demonstrate that it has corrected the deficiencies identified in the Notice of Intent to Terminate NVA's charter contract). There is certainly no requirement that you provide me with this information; however, in the event that NVA is not going to utilize the template that the SPCSA provided to NVA, any information regarding what may be submitted will assist the SPCSA in its review of material submitted by NVA.

In reviewing your March 2nd letter, I also noticed that your client appears to be under the impression that simply submitting a response to the Notice of Intent to Terminate will lead to a favorable decision at the April 27th SPCSA Board meeting. No matter the chosen avenue or form used for submission, please remind your client that the quality of their response to the Notice of Intent to Terminate will ultimately drive the staff recommendation, nothing more. If NVA's submission is incomplete or lacks sufficient level detail, this will be included in the overall recommendation, which will be presented on April 27. The recommendation, as you know, may be accepted or rejected by the SPCSA Board.

Finally, you note in your correspondence to me that NVA is concerned that SPCSA staff may "retaliate" against NVA in the event that NVA does not utilize the form provided to NVA. While I am unsure what, exactly, you may be referring to, I presume that you are implying that SPCSA staff may somehow base its recommendation to the SPCSA Board on the fact that NVA determines to submit something to the Authority that is not based on the provided form. As discussed above, the utilization of the provided form is not required, and you may rest assured that the SPCSA staff will base its recommendation on the material and information provided by NVA. Any assumption otherwise would be misguided.

As always, please feel free to contact me with any questions or concerns.

Sincerely,



Ryan Herrick
General Counsel

cc: Patrick Gavin, Executive Director

Exhibit 28

Exhibit 28



Kara B. Hendricks
 Tel 702.938.6856
 Fax 702.792.9002
 hendricksk@gtlaw.com

May 4, 2018

Sent via First-Class U.S. Mail and Email (jdgnevadaspcsa@gmail.com)

Chairman Jason Guinasso
 State Public Charter School Authority
 1749 N. Stewart Street #40
 Carson City, NV 89706

Dear Chairman Guinasso:

I write to you on behalf of my client, Nevada Virtual Academy (“NVVA” or the “School”), as a follow up to the State Public Charter School Authority (“SPCSA” or “Authority”) hearing held on April 27, 2018, and to inform you of a number of procedural errors that were made that render the proceedings and the Notice of Intent to Terminate closed. While I will outline the errors for you below, I want to assure you that the School is committed to improving its elementary school program and is true to its word that it wants to work collaboratively with the SPCSA to address concerns. To be clear, the procedural errors identified herein do not affect NVVA’s desire to constantly improve and develop a positive relationship with the Authority Staff and Board.

As you know, on April 27, 2018, the SPCSA held a hearing to determine whether NVVA’s proposed cure was sufficient, as indicated in its Notice of Intent to Terminate NVVA’s Charter Contract. Unfortunately, it appears that the SPCSA staff only reserved the hearing room for approximately three hours, which was not disclosed to NVVA and did not provide the Board adequate time to consider its full agenda. This was a disservice to all involved, including the Board members that traveled to Las Vegas for the meeting, NVVA’s team that spent countless hours preparing for the hearing and Samantha Morris, NVVA’s board chair, who left her husband and six children at their Disneyland vacation to fly back to Las Vegas solely for the hearing. In the limited time that was available at the scheduled meeting, the SPCSA staff presented its report on NVVA and its recommendation that the cure was not sufficient. The NVVA team put on part of its defense by walking through a PowerPoint presentation designed to respond to the SPCSA’s points of concern. However shortly after a question and answer session began and before I had an opportunity to present the legal issues I reserved time to present, the SPCSA hearing was abruptly recessed. After a nearly three hour break, the meeting resumed in a new location, but concluded shortly thereafter because there was insufficient time to hold the rest of the hearing and attempts were made to continue certain agenda items to May 14th.

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 * A BRANCH OF GREENBERG TRAURIG, P.A., FLORIDA, USA
 * OPERATES AS GT TOKYO ICHITSU JIMUSHI
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There were several procedural errors that occurred during and/or as a result of the process that was utilized on April 27th that we are compelled to bring to your attention.

Procedural Error #1 – Violation of Statute and Notice of Intent to Terminate

The Notice of Intent to Terminate that was sent to Mrs. Morris on February 21, 2018 stated that it was sent pursuant to NRS 388A.330(1)(a)(4), a provision of state law allowing a sponsor to terminate a charter contract if the charter school “has persistently underperformed, as measured by the performance indicators, measures and metrics set forth in the performance framework for the charter school.” NRS 388A.330 further sets forth that written notice must, among other things, “prescribe the date on which the sponsor will make a determination regarding whether the charter school has corrected the deficiencies, which determination may be made during the public hearing held pursuant to subsection 3.” NRS 388A.330(2)(c). Prescribed dates in the Notice are fixed and cannot be changed unless by written agreement by both the sponsor and the governing board of the charter school. See NRS 388A.330(4). The February 21, 2018 Notice of Intent to Terminate specifically included the following: “Note that the Authority and NVA [sic] may agree in writing to different time periods than those prescribed by NRS 388A.330.” See Notice, page 2.

Pursuant to NRS 388A.330, the February 21, 2018 Notice prescribes the following “[t]he SPCSA Board will determine whether NVA[sic] has corrected the deficiencies identified above to the satisfaction of the Authority at its April 27, 2018 Board meeting.” See Notice, page 2. The SPCSA Board did not make such a determination as set forth in the Notice, and as required by NRS 388A.330, nor did the parties agree in writing to change the time period set forth in that Notice for that determination to occur. This procedural error is fatal and means that the Notice of Intent to Terminate has concluded and no further action may be taken against NVVA in this regard.

Procedural Error #2 - Open Meetings Law Violations

There were two Open Meetings Law violations. First, the meeting was being streamed online for the public and cut off at approximately 11:30 am while the hearing was still ongoing. NRS 241.035(4) requires that meetings be audio recorded and available to the public. When the video feed cut off at 2:59:35, the hearing was in the middle of an exchange between Member Moulton and Dr. Denson, NVVA’s K-8 principal. The public did not see the conclusion of that exchange nor did they see announcements made by you, as chair, nor by DAG Whitney, who provided legal guidance to Board members about what can and cannot be discussed during recess. The SPCSA has posted the video link that covers part of the hearing, but has not posted an audio recording to cover all of the hearing. We request that the SPCSA provide a link to the audio recording that is required by the Open Meetings Law for the public to hear the full hearing, including the time after the video link cut off.

Chairman Jason Guinasso
May 4, 2018
Page 3

The second violation occurred when the meeting was moved to a different room. The Notice of Public Meeting stated that the hearing would be held in Room 4412 of the Sawyer Building. Without the required notice to the public, the SPCSA moved its meeting to another location. That is a violation of NRS 241.020, which requires that the public be given at least three day's notice of the time, place, and location of the meeting. The SPCSA board was not permitted to recess the meeting and then start the meeting in a different location without that proper notice.

Procedural Error #3 - Failure to Vote on Continuance

Setting aside for the moment the Open Meetings Law violations referenced above, with switching the location of the meeting, you, as chairman, made a motion after recess to continue the matter until May 14, 2018. Member Corbett seconded the motion. You asked whether all members could participate on May 14th, and then realized you still had to call the matter to a vote, which you began to do. Some members said "aye," but Member Moulton interrupted to announce that she would not be able to participate as she would be out of town and suggested she participate by telephone. After you asked that Member Moulton be accommodated, you never returned to the vote of the body - a vote which had not concluded. You moved onto Agenda Item 7 and then adjourned the meeting without holding a vote on continuing Agenda Items 5 and 6.

As a result of these procedural errors, these proceedings and the Notice of Intent to Terminate are now concluded and no further action may be taken in that regard. Please send written confirmation that the SPCSA will be taking no further action as it relates to the February 21, 2018 Notice of Intent to Terminate. Once we receive that confirmation, my client is willing to withdraw the April 5th complaint filed in Carson City District Court.

It is my hope that after we dispense with the Notice of Intent to Terminate, which we believe was legally improper, that we can then hit the reset button and work collaboratively, just as the Charter Contract and Performance Framework say, so that NVVA can focus on improving its elementary school program and preparing its students for college and career success. Each student enrolled at NVVA has a different story, a different reason why NVVA is working for them and why their zoned school was not working for them. NVVA does provide a critical service to the public and wants to position itself for improvement over time and ultimately to have its charter contract renewed so this option continues to be available to Nevada families.

NVVA welcomes you or any other board member to come to its blending learning campus in Las Vegas and see the great things that NVVA is doing in the lives of thousands of Nevada

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Chairman Jason Guinasso
May 4, 2018
Page 4

families. We believe there is a role for collaboration between both parties and that the authorizing relationship need not be adversarial. We should all be working towards the same goals.

Sincerely,



Kara B. Hendricks
Shareholder

cc: Samantha Morris, NVVA Board Chair
Dr. Yolanda Hamilton, NVVA Head of School
Member Melissa Mackedon
Member Sheila Moulton
Member Nora Luna
Member Stavan Corbett
Member Jeff Hinton
Member David Gardner
Executive Director Patrick Gavin
Ryan Herrick, Esq., SPCSA General Counsel
Deputy Attorney General Greg Ott
Deputy Attorney General Robert Whitney
Governor Brian Sandoval
Attorney General Adam Laxalt

Exhibit 29

Exhibit 29

Kara B. Hendricks
Tel 702.792.3773
Fax 702.792.9002
hendricksk@gtlaw.com

July 20, 2015

VIA FIRST-CLASS MAIL & EMAIL

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

*Re: Nevada Virtual Academy Concerns Regarding Premature Placement on
Charter Authority Intervention Ladder*

Dear Mr. Gavin:

I write on behalf of the Nevada Virtual Academy ("NVVA") to address an unresolved dispute that NVVA has regarding the use of the 2012-2013 school year in the Letter of Concern sent to NVVA by Steve Canavero on September 23, 2013 and the December 15, 2014, Notice of Breach that NVVA received. The Letter of Concern and Notice of Breach were both referenced in your recent recommendation to Authority Board Members subsequent to NVVA's request for an amendment. This is troublesome because you are well aware that NVVA believes that it was erroneously and prematurely placed on the Performance Framework¹ Intervention Ladder based on data from the 2012-2013 school year. As further detailed below, based on the Charter School Contract NVVA entered in June of 2013 and the plain language of the Performance Framework, the first year that should have been utilized for evaluation and placement on the Intervention Ladder is data from the 2013-2014 school year.

This has been a matter of ongoing discussion for quite some time as evidenced by written communication to both you and the prior Director of the Nevada State Public Charter School Authority ("the Authority"). Moreover, this was an issue that was discussed when we met in April of this year. **Due to the magnitude of this matter and because NVVA has yet to receive any written response to its prior communication regarding this issue, this correspondence is written pursuant to Section 10.1.1 of the Charter School Contract dated June 23, 2013 between NVVA and the Authority.**

¹ For purposes of this correspondence all references to "Performance Framework" are to the framework adopted by the Nevada State Public Charter School Authority in June of 2013. A copy of the Performance Framework is attached hereto as **Exhibit A**.
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ALBANY
ALBUQUERQUE
ATLANTA
AUSTIN
BOCA RATON
BOSTON
CHICAGO
DALLAS
DENVER
DETROIT
FORT LAUDERDALE
HOUSTON
LAS VEGAS
LONDON
LOS ANGELES
MEXICO CITY
MIAMI
MINNEAPOLIS
NEW JERSEY
NEW YORK
NORTH HOLLYWOOD
ORANGE COUNTY
OAKLAND
PHILADELPHIA
PHOENIX
ROME
SACRAMENTO
SAN FRANCISCO
SEATTLE
SHANGHAI
SOUTH BEND
TALLAHASSEE
TAMPA
TEL AVIV
WARSAW
WASHINGTON DC
WEST PALM BEACH
WHITE PLAINS

Accordingly, NVVA formally requests that it receive a written response to this letter within 30 days. NVVA's complaint regarding the use of data from the 2012-2013 school year and its placement on the Performance Framework Intervention Ladder in September of 2013 is set forth below as well as its recommendation for a resolution.

Complaint

Background

As you are aware, in June of 2013, NVVA came before the Authority to have its charter renewed. (A copy of NVVA's Charter School Contract ("NVVA Contract") is attached hereto as **Exhibit B.**) At that time, the Authority made it clear that NVVA's academic and financial performance was below the Authority's expectations and certain conditions were placed on the operations of NVVA. Additionally, the Authority directed that a high stakes review of NVVA's performance would be held in the fall of 2015 and included guidelines for the review in Appendix D to NVVA's Contract. Separate and apart from the high stakes review, NVVA's Contract also included requirements under the Performance Framework that was adopted by the Authority on June 21, 2013 (the very same day that NVVA's Contract was renewed).² NVVA took the direction it received from the Authority very seriously and has implemented a number of measures to improve both the academic and financial performance of the school.

The Performance Framework adopted by the Authority in June of 2013 is distinct from the high stakes review. The stated objective of the Charter School Performance Framework is "to provide charter school boards and leaders with clear expectation, fact-based oversight, and timely feedback while ensuring charter autonomy." *See* Ex. A, page 1. The stated objective of "clear expectations" is clear evidence of the Authority's intent to provide charter schools with specific goals and oversight going forward. There is no indication therein that the Performance Framework would be applied retroactively and used to evaluate a schools prior performance. Indeed, given that the framework was not adopted by the Authority prior to June of 2013, a retroactive application would be counter-intuitive in that charter schools would be unable to fully prepare for a review and would not know prior to an evaluation what standards it was being evaluated on.

The minutes from the Authority Board meeting on the day the Performance Framework was approved provide further guidance regarding its use and implementation. (A copy of the minutes from the June 21, 2013 Charter School Authority Board Meeting are attached hereto as **Exhibit C.**) Specifically, the heading used on page 6 in the minutes specifies that the Performance Framework would be implemented for the 2013-2014 school year and states:

² *See* Exhibit A. Additionally, the Performance Framework is referenced as Exhibit 1, to NVVA's Contract.
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Approval of the State Public Charter School Authority Performance Framework for implementation in the FY14/SY2013-2014.

See, Ex. C, page 6 (emphasis added).

The text of the minutes from the Authority's June Board Meeting also evidences a plan to transition schools from "demonstrated compliance to assumed compliance." *Id.* at 7. Director Canavero explained that "if the Authority approves these frameworks then the board is approving the standards to which non-renewal and revocation would be made." *Id.* According to the minutes, a discussion was also had regarding transitioning forward into a full framework model. *Id.* Ultimately, the Board unanimously voted in favor for the approval of the Performance Framework "for implementation in the FY14/SY 2013-2014." *Id.* All references to implementation of the Performance Framework in the minutes of the June 21, 2013 Board Meeting specify that it will be implemented for the 2013-2014 school year. The minutes also reference "transitioning forward" with the new framework as well as providing the charter school with clear objectives.

Included within Section 5 of the Performance Framework is an Intervention Ladder that is to be utilized when the Performance Framework process results in adverse findings. See Ex. A, page 6. Moreover, as explained in Section 5 of the Performance Framework, all schools begin outside of the intervention ladder and are considered to be in "Good Standing" *Id.* As detailed below, NVVA was immediately issued a Notice of Concern and deemed not to be in "Good Standing." NVVA did not get the benefit of working under the guidelines of the Performance Framework before it was placed on Level 1 of the Intervention Ladder. This was an error that must be corrected.

Use of Performance Framework & Intervention Ladder

As set forth above, the Performance Framework adopted by the Authority in June of 2013 was to be implemented in the 2103-2014 school year. Moreover, it is well documented that the new Performance Framework and the Intervention Ladder would be utilized in evaluations of charter schools **beginning with the 2013-2014 school.** Notwithstanding the clear language within the Performance Framework and the meeting minutes from the June 2013 Authority Board; data from the 2012-2013 was used and NVVA received a "Notice of Concern" and was placed in Level 1 of the Intervention Ladder on September 15, 2013. (A copy of the September 15, 2013 correspondence from Steve Canavero is attached hereto as **Exhibit D.**)

NVVA was thereafter issued a Notice of Breach and moved to the second rung of the Intervention Ladder based on data from the 2013-2014 school year. Specifically, in December of 2014, NVVA received correspondence notifying it that the school had moved to the second rung of the Intervention Ladder and was deemed to have received a "Notice of Breach". (A copy of the December 15, 2014 correspondence from Patrick Gavin is attached hereto as **Exhibit E.**)

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NVVA is diligently working to improve the education it provides children in Nevada and serves a unique population that is not being catered to by the public school system. NVVA is making great strides in a number of areas and believes the Authority will continue to see progress in its academic and financial performance. NVVA is not disputing the need to improve its performance. However, using data from the 2012-2013 school year to place NVVA on the Intervention Ladder escalates the potential for revocation of NVVA's charter in an unfair and prejudicial manner. The use of the 2012-2013 data in a framework that was not adopted until after the 2012-2013 school year was complete is improper as a matter of law. Accordingly, NVVA seeks to resolve the discrepancies it sees with the use of the 2012-2013 data and its placement on the Intervention Ladder in September of 2013.

Recommended Resolution

Although NVVA understand that the 2012-2013 school year will be used as the baseline for the high stakes review in the fall of 2015, we find no support for the position that the 2012-2013 can be used in the Intervention Ladder that is part of the Performance Framework that was not adopted by the Authority until June of 2013.³ The use of the 2012-2013 data and placing NVVA on the Intervention Ladder just months after the Performance Framework was implemented is problematic and a critical issue for NVVA.

NVVA believes there is a simple resolution and that Letter of Concern sent to NVVA by Steve Canavero on September 23, 2013 should be withdrawn and the December 15, 2014, Notice of Breach should be amended and reissued as a Letter of Concern. This would place NVVA on the first rung of the Intervention Ladder. NVVA is not making excuses for what happened in its past, but is asking the Authority Board to provide it the three years contemplated by the Performance Framework to improve its school.

We appreciate your time and attention to this matter and look forward to receiving a written response to the foregoing complaint and recommendation that outlines your position regarding the relevant issues and either accepts the proposed resolution or offers an alternative resolution.

Very truly yours,



Kara B. Hendricks, Esq.

cc: Nevada Virtual Academy Board

³ During our meeting in April of this year, you explained that the Authority used the 2012-2013 school year data to place NVVA on the Intervention Ladder based on a reference to the 2012-2013 school year in Appendix D to NVVA's Charter Contract. NVVA believes this was done in error and that the reference in Appendix D is specific to the upcoming high stakes review.
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Exhibit A

Charter School Performance Framework

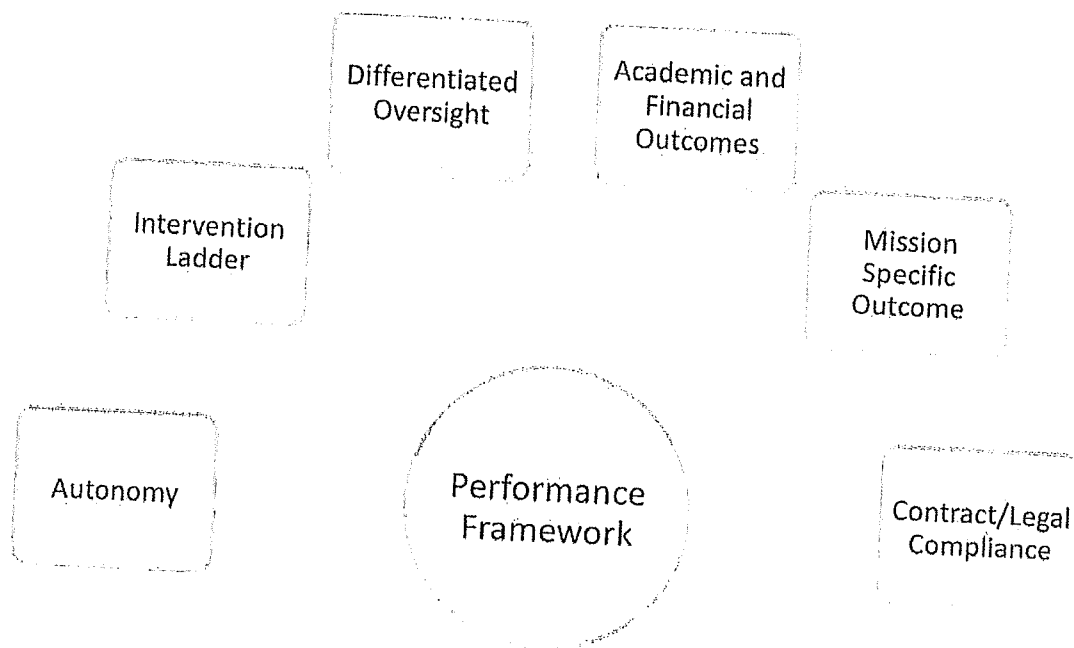
Exhibit A

Charter School Performance Framework

Objective:

To provide charter school boards and leaders with clear expectations, fact-based oversight, and timely feedback while ensuring charter autonomy.

- Clear standards, timely feedback, and maximum transparency
- Objective information for schools, students, and families
- Differentiated oversight including incentives for charter schools designated as quality
- Comprehensive information to guide charter renewal determinations



Section 1: Introduction

This document describes the Charter School Performance Framework, the accountability mechanism for all charter schools sponsored by the State Public Charter School Authority (Authority).

This document provides:

- A conceptual overview of the Charter School Performance Framework (the body of the document); along with
- The specifics regarding Performance Framework implementation, and the academic, financial, organizational and mission specific performance standards.

In addition to establishing performance criteria for charter schools, the Charter School Performance Framework also ensures that the Authority is accountable to charter schools.

The Authority is accountable for implementing a rigorous and fair oversight process that respects the autonomy that is vital to charter school success. This mutual obligation drives the Charter School Performance Framework – a collaborative effort with the common mission of improving and influencing public education in Nevada by sponsoring public charter schools that prepare all students for college and career success and by modeling best practices in charter school sponsorship.

Charter School Performance Framework Authority Obligations

- Clearly communicate standards and expectations to schools;
- Conduct a transparent, consistent, and predictable oversight process;
- Conduct an oversight process that is respectful of schools' autonomy;
- Emphasis on student outcomes rather than compliance and process;
- Provide fact-based feedback to schools and communities indicating where schools stand relative to performance framework standards and expectations.

Section 2: Objective of the Charter School Performance Framework

Through its mission, the Authority has the responsibility to ensure its sponsored schools prepare all students for college and career success and to model best practices in charter school sponsorship.

The Authority acknowledges that charter schools need autonomy in order to develop and apply the policies and educational strategies that maximize their effectiveness.

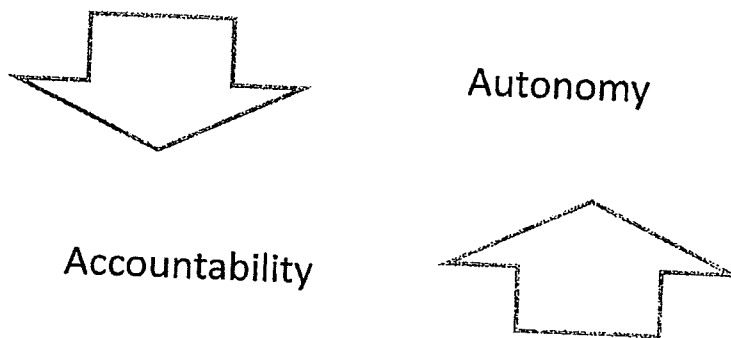
The Charter School Performance Framework balances these two considerations.

The objective of the Charter School Performance Framework is to provide charter school boards and leaders with clear expectations, fact-based oversight, and timely feedback while ensuring charter school autonomy.

In addition to achieving this objective, the Performance Framework should deliver important secondary benefits:

- Incentives for charter schools designated as quality that regularly achieve their academic, financial, organizational, and mission specific performance standards;
- Comprehensive information for data-driven and merit-based charter renewal and contract revocation/termination;
- Differentiated oversight based on each school's performance and maturity;
- Maximum transparency so all stakeholders can understand where charter schools are meeting or exceeding performance standards, and where they are failing to achieve performance standards; and
- Objective information for students and families who want to learn more about the charter schools in their community.

The Performance Framework describes methods that seek the optimal balance between oversight and autonomy, while delivering the secondary benefits important to each targeted stakeholder. The Performance Framework is a dynamic process subject to continuous review and improvement.



Section 3: Performance Framework Components

The Performance Framework provides for the evaluation of schools based on their ability to operate as sound, independent entities that successfully serve all students. The Authority has selected components that strike the balance between easy-to-submit documents and data that provide fact-based insight on school performance.

Routine Year Round Submissions

During the year, schools are required to submit a variety of documents to the Authority and the Department of Education. It is vital that this information is submitted by the given due date. These required submissions are often linked to funding allotments or federal reporting requirements. See the Reporting Requirements Manual for greater detail on each requirement and its function.

Academic, Financial, Organizational and Mission Specific Indicators

Academic - Academic achievement determinations for all schools will be based on student progress over time (growth), student achievement (status), and college and career readiness.

Financial - The near term fiscal health of schools is assessed through four measures: 1) Current Ratio; 2) Unrestricted Days Cash on Hand; 3) Enrollment Forecast Accuracy; and 4) Debt Default. The fiscal sustainability of schools is assessed through four different measures: 1) Total Margin; 2) Debt to Asset Ratio; 3) Cash Flow; and 4) Debt Service Coverage Ratio. These measures will be evaluated quarterly and a profile published annually based on each school's audited financial statements.

Organizational - Defines the operational standards to which a charter school should be accountable to its sponsor and the public. It is designed to treat all schools as though they are the same only in terms of meeting minimum legal and ethical requirements.

Mission Specific - The Authority may, upon request of the governing body of a charter school, include additional rigorous, valid and reliable performance indicators that are specific to the mission of the charter school and complementary to the existing framework measures.

Annual Review

The annual review is a process that compiles data from the routine year-round submissions; academic, financial, organizational and mission specific indicators and oversight to provide an evaluation of school performance. In the annual review, each school will receive an academic and financial profile, an organizational overview of compliance, and a review of mission specific indicators

Annual reviews will be provided to charter school boards and school leaders each fall following the release of the State's star ratings. We are committed to clearly communicating information from the annual review to families, schools, and the public. These reviews will also be posted on the Authority website.

Mid-Term Review

The mid-term review is a process that compiles all annual reviews and provides a three year longitudinal evaluation of school performance. The mid-term review includes a site visit to gather qualitative data that complements the quantitative findings. The results of the mid-term review provide stakeholders with a multi-year analysis of school performance and status of the school related to expectations at time of renewal.

Section 4: Performance Framework Process Description

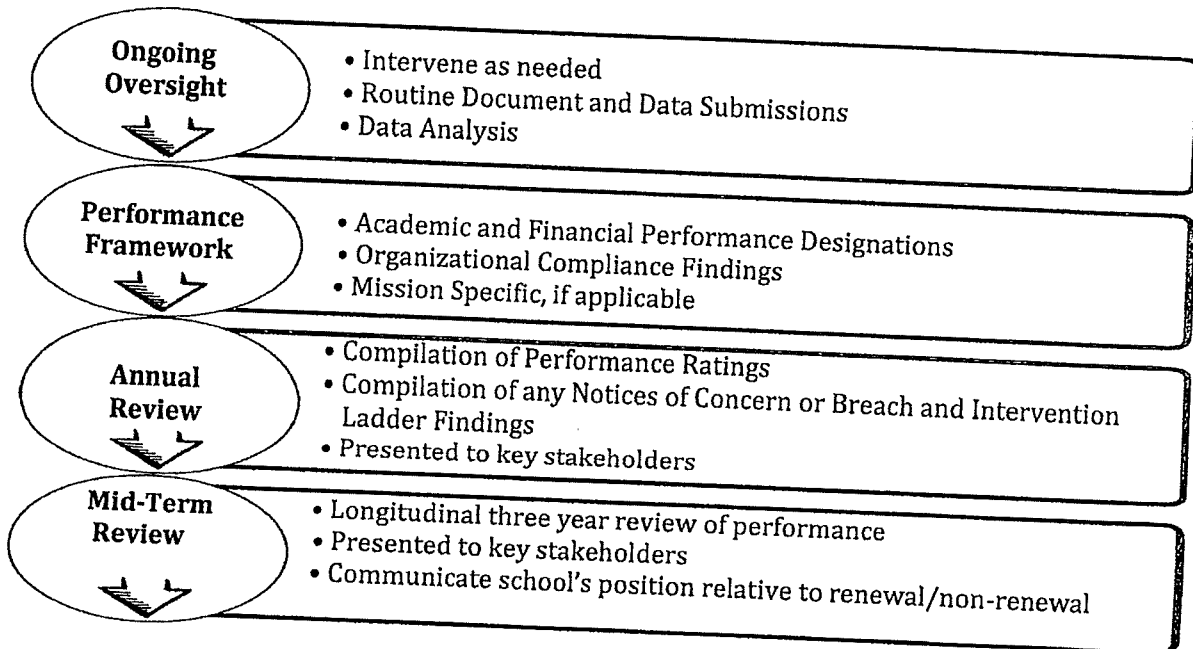
The Authority has studied best practices to develop the Performance Framework process depicted in this flowchart. Throughout the school year, every charter school will submit scheduled documents and data that enable us to assess their compliance with laws and regulations, and their progress in achieving important school milestones.

The routine year round submissions are indicated in the Reporting Requirements Manual.

The Authority believes in conducting its oversight in a manner that is respectful of school autonomy and differentiated based upon charter school performance and maturity. Charter schools with a track record of compliance and performance do not need the same level of oversight as charter schools without such a track record. The Authority's oversight plan includes the opportunity for schools during their first three years of operation, based on compliance and performance, to transition from demonstrated compliance to assumed compliance.

Every charter school will receive an Annual Review and a three year Mid-Term review. The reviews analyze a school's academic, financial, organizational, and mission specific performance along with information collected from the ongoing oversight processes. The parameters of these analyses are indicated in detail in Appendix A, "Detailed Academic Performance Indicator Descriptions", Appendix B, "Detailed Financial Performance Indicator Descriptions", and Appendix C, "Detailed Organizational Performance Indicator Descriptions." The mission specific indicators will be finalized at the beginning of the second school year using the first school year as the baseline.

Site visits afford a sponsor with an opportunity to appreciate a qualitative aspect of the school not directly measured in ways other than observation or personal interaction. The Authority has two types of official site visits: Mid-Term Review and Targeted. The Mid-Term Review site visit is guided by a clear purpose and rubric that complements the quantitative findings. A Targeted site visit is driven by specific circumstances where the frequency and intensity of the visit will depend upon a particular circumstance.



Section 5: Intervention Ladder

Occasionally, the routine Performance Framework process will result in adverse findings. Charter schools may fall out of compliance on important legal or contractual requirements. Academic standards may not be met. Financial sustainability may become an issue. When these situations occur, the Authority may need to intervene.

Level 1: Notice of Concern
A school enters Level 1 upon receiving a Notice of Concern.



Level 2: Notice of Breach
A school enters Level 2 when it fails to comply with a material term or condition of its charter contract.



Level 3: Intent to Revoke
A school enters Level 3 when it fails to meet its requirements or schedule to remedy a Notice of Breach.

All schools begin outside of the intervention ladder and are considered to be in Good Standing. Schools in good standing receive non-intrusive regular oversight and submissions tracking. Schools must meet performance targets and expectations including compliance and maintain open communication with us in exchange for this level of non-intrusive oversight.

Schools can enter Level 1 of the intervention ladder if the Authority receives a verified complaint of material concern, or if regular oversight generates significant questions or concerns. We will communicate with school leaders, parents, and any other necessary stakeholders to verify complaints. We will contact the Board president and school leaders to issue a formal Notice of Concern. The Notice of Concern contains specific actions and due dates required to remedy the concern. Upon remedying the concern, the school returns to Good Standing. If the concern is not remedied in the time allotted, the school progresses to Level 2 of the intervention ladder.

At Level 2, the school is issued a Notice of Breach. The Notice of Breach outlines the actions necessary to cure the breach. A school can enter the ladder at Level 2 if it fails to comply with a material term or condition of its charter contract. Once a Notice of Breach is issued, the Authority monitors the school's implementation of the steps required to cure the breach. Once the school has met the Notice of Breach requirements, they exit from Level 2 and return to Good Standing.

Failure to meet the requirements specified in the Notice of Breach will result in entry to Level 3, charter school revocation/termination review. The review may include additional visits to the school or an in-depth audit to assess financial and organizational health. Schools in Level 3 are at risk of contract revocation/termination. Schools may also progress on the ladder to Level 3 if they receive repeated Notices of Breach in the same school year. Findings from the Intent to Revoke will determine whether a school enters into revocation/termination proceedings or is granted a revised Notice of Breach, returning to Level 2.

In unfortunate cases, data gathered from the Performance Framework process can be used to directly initiate charter school revocation/termination proceedings. The Authority recognizes the severity of this process and will use this right only in the case of persistent shortcomings or a grave incident that threatens the health, safety, or welfare of children.

Section 6: High-Stakes Decisions

The Authority will consider the collective record of a school's academic, financial, organizational and mission specific performance when making high-stakes decisions, though the academic performance will be the most important factor in most decisions.

Contract Renewal

The Performance Framework provides information necessary for merit-based charter renewal decisions. Decisions will be made in accordance with statute and regulation and based on longitudinal information over a school's charter term. Once a school is recommended for renewal and approved by the Authority the school will receive a renewal term length of six years as defined by law.

Performance Expectation

- Academic: Schools seeking renewal must be designated "Adequate" or above on the Authority Academic Framework plus receive a three-star rating or above on the Nevada School Performance Framework in the preceding school year.
- Financial: Schools must be rated as financially sustainable.
- Organization: Schools must be considered compliant with the material terms and conditions of its charter contract.

Streamlined Renewal

Schools designated as quality schools by the Authority may qualify for the streamlined renewal process. Quality schools are schools ranked on the Authority Academic Framework as "Exceeds" or "Exceptional" and on the Nevada School Performance Framework as a four or five-star school.

Contract Termination

The following performance outcomes may be cause for revocation/termination of a school's charter:

- Persistent Underperformance: A school with any combination of "Unsatisfactory" or "Critical" designations on the Authority Framework and two-star or one star ranking on the Nevada School Performance Framework for three consecutive academic reporting cycles.

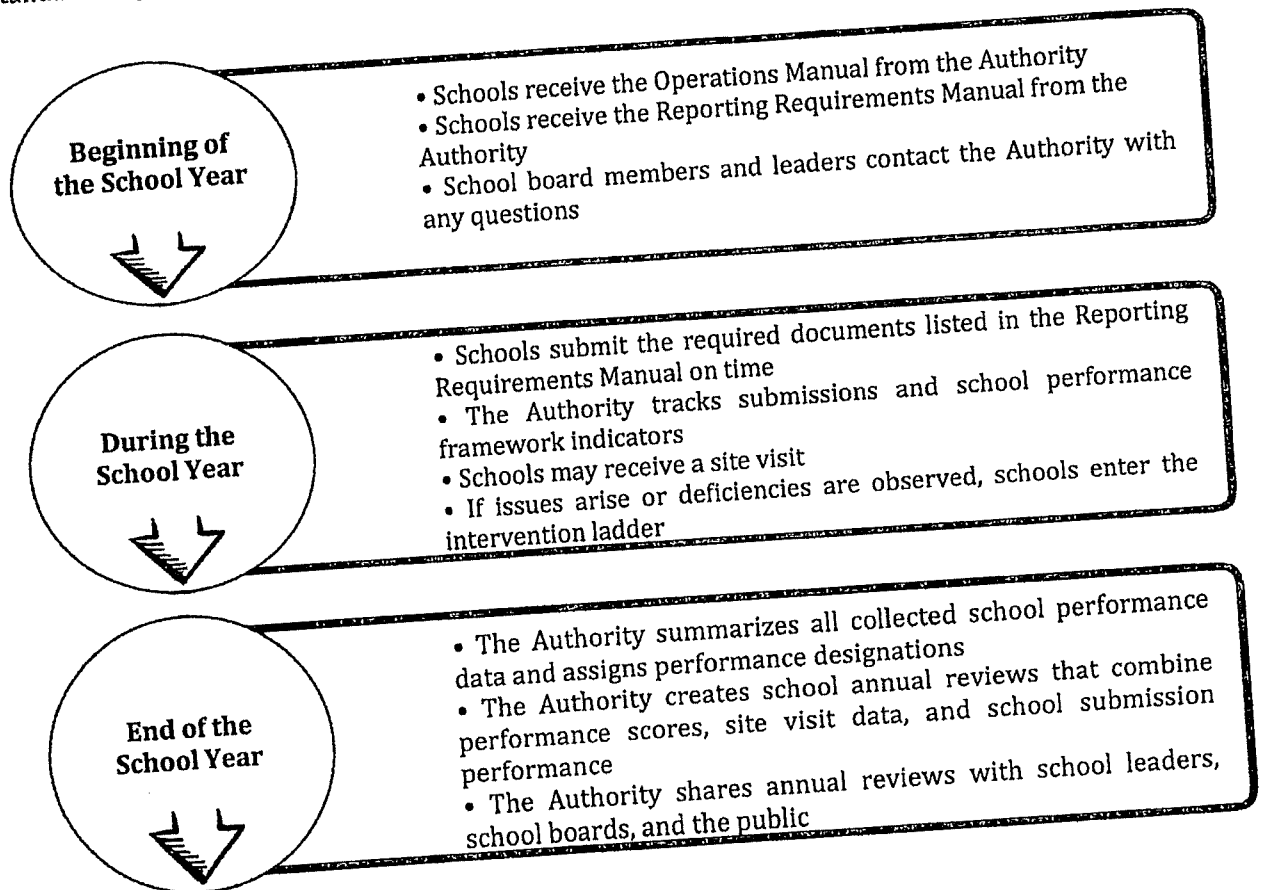
Auto-Termination

As defined by law, starting with the 2013-2014 school year, a charter school must be closed after obtaining three consecutive ratings of one-star on the Nevada School Performance Framework.

Designation	Performance Framework Ranking/Designation		Timeframe
	NSPF	Authority	
Contract Renewal Expectation	3-stars or above	AND: "Adequate" or above	Preceding Year
Quality	4-star or 5-star	AND: "Exceptional" or "Exceeds"	Preceding Year
Contract Termination	Any combination of 1-star or 2 star	AND: Any combination of "Unsatisfactory" & "Critical"	Three consecutive years
Auto-Termination	1-star		Three consecutive years starting in 2013-2014

Section 7: Performance Framework Timeline

The Performance Framework is implemented according to an annual timeline. The goals of the timeline: a) to set clear expectations for the Authority interaction with schools; while b) standardizing the oversight process.



Schools should contact the Authority at any time for additional support on and information about meeting any of the Performance Framework components.

Appendix A: Detailed Academic Performance Indicator Descriptions

Designations			Points awarded for designation
Quality	Exceptional	EX	97.5
	Exceeds	EC	85.5
Meets Standard	Adequate	AD	62.5
Does Not Meet Standard	Approaches	AP	37.5
	Unsatisfactory	U	15
	Critical	C	2.5
	Missing or not applicable	NA	

Designations		Minimum score for designation	Maximum score for designation
Quality	EX	95	100
	EC	75	94.9
Meets Standard	AD	50	74.9
Does Not Meet Standard	AP	25	49.9
	U	5	24.9
	C	0	4.9

Elementary

Indicator	Growth	Status	
Weight	60.00%	40.00%	

Middle School

Indicator	Growth	Status	
Weight	60.00%	40.00%	

High School

Indicator	Growth	Status	College & Career Readiness
Weight	40.00%	30.00%	30.00%

2.1 Student Progress Over Time (Growth)

2.1.a Are schools making adequate progress based on the school's Median Student Growth Percentiles in reading?

Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds:	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.1.b Are schools making adequate progress based on the school's Median Student Growth Percentiles in math?

Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds:	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.1.c Are schools making adequate growth based on the percentage of students meeting AGP in reading?

Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds :	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.1.d Are schools making adequate growth based on the percentage of students meeting AGP in math?

Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds:	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.1.e Using Adequate Growth results, are schools meeting AGP in reading when compared with the traditional schools that charter school student would otherwise attend? The difference between the AGP of the charter and the weighted AGP of the traditional school is:

Exceptional:	≥ 20
Exceeds:	≥ 10 and < 20
Adequate:	≥ 0 and < 10
Approaches:	≥ -10 and < 0
Unsatisfactory:	≥ -20 and < -10
Critical:	< -20

2.1.f Using Adequate Growth results, are schools meeting AGP in math when compared with the traditional schools that charter school student would otherwise attend? The difference between the AGP of the charter and the weighted AGP of the traditional schools is:

Exceptional:	≥ 20
Exceeds:	≥ 10 and < 20
Adequate:	≥ 0 and < 10
Approaches:	≥ -10 and < 0
Unsatisfactory:	≥ -20 and < -10
Critical:	< -20

2.1.g Are students in sub-groups (FRL, ELL, IEP) making adequate growth based on the percentage of students meeting AGP in reading?

Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds:	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.1.h Are students in sub-groups (FRL, ELL, IEP) making adequate growth based on the percentage of students meeting AGP in math?

Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds:	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.2 Student Achievement (Status)

2.2.a Are students achieving proficiency on state examinations in reading?

Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds:	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.2.b Are students achieving proficiency on state examinations in math?

Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds:	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.2.c Using proficiency rates, are schools achieving proficiency in reading when compared with the traditional schools that charter school student would otherwise attend? The difference between the proficiency rate of the charter school and the weighted proficiency rate of the traditional schools is:

Exceptional:	≥ 30
Exceeds:	≥ 15 and < 30
Adequate:	≥ 0 and < 15
Approaches:	≥ -15 and < 0
Unsatisfactory:	≥ -30 and < -15
Critical:	< -30

2.2.d Using proficiency rates, are schools achieving proficiency in math when compared with the traditional schools that charter school student would otherwise attend? The difference between the proficiency rate of the charter school and the weighted proficiency rate of the traditional schools is:

Exceptional:	> 30
Exceeds:	≥ 15 and < 30
Adequate:	≥ 0 and < 15
Approaches:	≥ -15 and < 0
Unsatisfactory:	≥ -30 and < -15
Critical:	< -30

2.2.e Are students in sub-groups (FRL, ELL, IEP) achieving proficiency on state examinations in reading?	
Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds:	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.2.f Are students in sub-groups (FRL, ELL, IEP) achieving proficiency on state examinations in math?	
Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds:	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.3: Career and College Readiness

2.3.a Based on scores obtained from EXPLORE and PLAN, are students making adequate growth for being college ready by the time they graduate?	
Exceptional:	Average growth for all students in Math would be ≥ 3 points Average growth for all students in English would be ≥ 3 points
Exceeds:	Average growth for all students in Math would be ≥ 2.3 points and < 3 points Average growth for all students in English would be ≥ 2.4 and < 3 points
Adequate:	Average growth for all students in Math would be ≥ 2 points and < 2.3 points Average growth for all students in English would be ≥ 2 points and < 2.4 points
Approaches:	Average growth for all students in Math would be ≥ 1.5 points and < 2 points Average growth for all students in English would be ≥ 1.5 points and < 2 points
Unsatisfactory:	Average growth for all students in Math would be ≥ 1 point and < 1.5 points Average growth for all students in English would be ≥ 1 point and < 1.5 points
Critical:	Average growth for all students in Math would be < 1 point Average growth for all students in English would be < 1 point

2.3.b Are students on target for being college ready by the time they graduate as measured by the EXPLORE and PLAN college readiness bench marks in English and Math?

English

Exceptional:	≥76%
Exceeds	≥66% and <76%
Adequate:	≥56% and <66%
Approaches:	≥46% and <56%
Unsatisfactory:	≥36% and <46%
Critical:	<36%

Math

Exceptional:	≥45%
Exceeds	≥35% and <45%
Adequate:	≥25% and <35%
Approaches:	≥15% and <25%
Unsatisfactory:	≥5% and <15%
Critical:	<5%

2.3.c Are students graduating from high school?

- Based on a four-year adjusted cohort graduation rate
- Based on a five-year adjusted cohort graduation rate

Exceptional:	≥95 th percentile
Exceeds:	≥75 th percentile and <95 th percentile
Adequate:	≥50 th percentile and <75 th percentile
Approaches:	≥25 th percentile and <50 th percentile
Unsatisfactory:	≥5 th percentile and <25 th percentile
Critical:	<5 th percentile

2.3.d Do students have the content and skill knowledge needed to succeed beyond high school?

Exceptional:

Exceeds:

Adequate:

Approaches:

Unsatisfactory:

Critical:

Appendix B: Detailed Financial Performance Indicator Descriptions

The Financial Performance Framework is composed of both near term and sustainability indicators, each having four measures. It is important to note that the Framework is not designed to evaluate a school's spending decisions. It does not include indicators of strong financial management practices, which are laid out in the organizational performance framework. The Financial Performance Framework analyzes the financial performance of a charter school, not its processes for managing that performance.

Near Term	Indicator
1.a. Current Ratio: Current Assets divided by Current Liabilities	Measure
Meets Standard: <input type="checkbox"/> Current Ratio is greater than 1.1 or <input type="checkbox"/> Current Ratio is between 1.0 and 1.1 and one-year trend is positive (current year ratio higher than last year's)	Metric
Note: For schools in their first or second year of operation, the current ratio must be greater than 1.1.	Target
Does Not Meet Standard: <input type="checkbox"/> Current Ratio is between 0.9 and 1.1 Or <input type="checkbox"/> Current Ratio is between 1.0 and 1.1 and one-year trend is negative	
Falls Far Below Standard: <input type="checkbox"/> Current ratio is less than 0.9	

Near Term Measures

1) The current ratio depicts the relationship between a school's current assets and current liabilities.

Overview: The current ratio measures a school's ability to pay its obligations over the next twelve months. A current ratio of greater than 1.0 indicates that the school's current assets exceed its current liabilities, thus indicating ability to meet current obligations. A ratio of less than 1.0 indicates that the school does not have sufficient current assets to cover its current liabilities and is not in a satisfactory position to meet its financial obligations over the next 12 months.

Source of Data: Audited balance sheet.

Near Term
Current Assets divided by Current Liabilities
Meets Standard: <input type="checkbox"/> Current Ratio is 1.1 or greater. or <input type="checkbox"/> Current Ratio is between 1.0 and 1.1 and one-year trend is positive.
Note: For schools in their first or second year of operation, the current ratio must be greater than 1.1.
Does Not Meet Standard: <input type="checkbox"/> Current Ratio is between 0.9 and .99 Or <input type="checkbox"/> Current Ratio is between 1.0 and 1.1 and one-year trend is negative.
Falls Far Below Standard: <input type="checkbox"/> Current ratio is less than 0.9

2) The unrestricted days cash on hand ratio indicates how many days a school can pay its operating expenses without another inflow of cash.

Overview: The unrestricted days cash ratio defines whether or not the school has sufficient cash to meet its day-to-day obligations.

Source of Data: Audited balance sheet and income statement.

Near Term
Unrestricted Cash divided by (Total Expenses/365)
<p>Meets Standard:</p> <input type="checkbox"/> 60 Days Cash or more or <input type="checkbox"/> Between 30 and 60 Days Cash <i>and</i> one-year trend is positive Note: For schools in their first or second year of operation, they must have a minimum of 30 Days Cash.
<p>Does Not Meet Standard:</p> <input type="checkbox"/> Days Cash is between 15 and 29 days Or <input type="checkbox"/> Days Cash is between 30 and 60 days <i>and</i> one-year trend is negative
<p>Falls Far Below Standard:</p> <input type="checkbox"/> Less than 15 Days Cash

3) Enrollment forecast accuracy tells authorizers whether or not the school is meeting its enrollment projections, thereby generating sufficient revenue to fund ongoing operations.

Overview: The enrollment forecast accuracy depicts actual versus projected enrollment. A school budgets based on projected enrollment but is funded based on actual enrollment; therefore, a school that fails to meet its enrollment targets may not be able to meet its budgeted expenses.

Source of Data:

- Projected enrollment – Charter school board-approved enrollment budget for the year in question.
- Actual enrollment.

Near Term
Actual Enrollment divided by Enrollment Projection in Board-Approved Budget
<p>Meets Standard:</p> <input type="checkbox"/> Enrollment Forecast Accuracy equals or exceeds 95% in the most recent year <i>and</i> equals or exceeds 95% each of the last three years Note: For schools in their first or second year of operation, Enrollment Forecast Accuracy must be equal to or exceed 95% for each year of operation.
<p>Does Not Meet Standard:</p> <input type="checkbox"/> Enrollment Forecast Accuracy is between 85% and 94% in the most recent year or <input type="checkbox"/> Enrollment Forecast Accuracy is 95% or greater in the most recent year <i>but does not</i> equal or exceed 95% or greater each of the last three years
<p>Falls Far Below Standard:</p> <input type="checkbox"/> Enrollment Forecast Accuracy is less than 85% in the most recent year.

4) Debt default indicates if a school is not meeting debt obligations or covenants.

Overview: This metric addresses whether or not a school is meeting its loan covenants and/or is delinquent with its debt service payments.

Source of Data: Notes to the audited financial statements.

Near Term
<i>Meets Standard:</i>
<input type="checkbox"/> School is not in default of loan covenant(s) and is not delinquent with debt service payments
<i>Does Not Meet Standard:</i>
<input type="checkbox"/> Not Applicable
<i>Falls Far Below Standard:</i>
<input type="checkbox"/> School is in default of loan covenant(s) or is delinquent with debt service payments

Sustainability Measures

1) Total margin measures the deficit or surplus a school yields out of its total revenues; in other words, whether or not the school is living within its available resources

Overview: The total margin measures if a school operates at a surplus (more total revenues than expenses) or a deficit (more total expenses than revenues) in a given time period. The aggregated three-year total margin is helpful for measuring the long-term financial stability of the school by smoothing the impact of single-year fluctuations on the single year total margin indicator.

Source of Data: 3 years of audited income statements

Sustainability
Net Surplus divided by Total Revenue
Aggregated Total Margin
Total 3 Year Net Surplus divided by Total 3 Year Revenues
<p>Meets Standard:</p> <p><input type="checkbox"/> Aggregated Three-Year Total Margin is positive <i>and</i> the most recent year Total Margin is positive</p> <p>or</p> <p><input type="checkbox"/> Aggregated Three-Year Total Margin is greater than -1.5%, the trend is positive for the last two years, <i>and</i> the most recent year Total Margin is positive</p> <p>Note: For schools in their first or second year of operation, the aggregate Total Margin must be positive.</p>
<p>Does Not Meet Standard:</p> <p><input type="checkbox"/> Aggregated Three-Year Total Margin is greater than -1.5%, but the trend is negative.</p>
<p>Falls Far Below Standard:</p> <p><input type="checkbox"/> Aggregated Three-Year Total Margin is less than -1.5%</p> <p>or</p> <p><input type="checkbox"/> Current year Total Margin is less than -10%</p>

2) The debt to asset ratio measures the amount of liabilities a school owes versus the assets they own; the extent to which the school relies on borrowed funds to finance its operations.

Overview: The debt to asset ratio compares the school's liabilities to its assets. Simply put, the ratio demonstrates what a school owes against what it owns. A lower debt to asset ratio generally indicates stronger financial health.

Source of Data: Audited balance sheet

Sustainability
Total Liabilities divided by Total Assets
<p>Meets Standard:</p> <p><input type="checkbox"/> Debt to Asset Ratio is less than 0.90</p>
<p>Does Not Meet Standard:</p> <p><input type="checkbox"/> Debt to Asset Ratio is between 0.90 and 1.0</p>
<p>Falls Far Below Standard:</p> <p><input type="checkbox"/> Debt to Asset Ratio is greater than 1.0</p>

3) The cash flow measure indicates a school's change in cash balance from one period to another.

Overview: Cash flow indicates the trend in the school's cash balance over a period of time. This measure is similar to days cash on hand, but indicates long-term stability versus near-term. Since cash flow fluctuations from year-to-year can have a long-term impact on a school's financial health, this metric assesses both three year cumulative cash flow and annual cash flow.

Source of Data: 4 years of audited balance sheets

Sustainability
Three-Year Cash Flow = (Prior Year 3 Total Cash) - (Year 0 Total Cash)
One-Year Cash Flow = (Prior Year 1 Total Cash) - (Year 0 Total Cash)
Meets Standard:
<input type="checkbox"/> Three-year cumulative cash flow is positive <i>and</i> cash flow is positive each year.
or
<input type="checkbox"/> Three-year cumulative cash flow is positive, cash flow is positive in two of three years, <i>and</i> cash flow in the most recent year is positive.
Note: For schools in their first or second year of operation, they must have positive cash flow.
Does Not Meet Standard:
<input type="checkbox"/> Three-year cumulative cash flow is positive, but the trend is negative.
Falls Far Below Standard:
<input type="checkbox"/> Three year cumulative cash flow is negative.

4) The debt service coverage ratio indicates a school's ability to cover its current year debt obligations.

Overview: This ratio measures whether or not a school can pay the principal and interest due on its debt based on the current year's net income. Depreciation expense is added back to the net income because it is a non-cash transaction and does not actually cost the school money. The interest expense is added back to the net income because it is one of the expenses an entity is trying to pay, which is why it is included in the denominator.

Source of Data:

- Net income: audited income statement
- Depreciation expense: audited cash flow statement
- Interest expense: audited cash flow statement
- Principal and interest obligations: provided from the school

Sustainability
$(\text{Net Income} + \text{Depreciation} + \text{Interest Expense}) / (\text{Principal and Interest Payments})$
Meets Standard:
<input type="checkbox"/> Debt Service Coverage Ratio is equal to or exceeds 1.10
Does Not Meet Standard:
<input type="checkbox"/> Debt Service Coverage Ratio is less than 1.10
Falls Far Below Standard:
<input type="checkbox"/> Blank

Appendix C: Detailed Organizational Performance Indicator Descriptions

I. Educational Program

1. Essential terms of the charter agreement

- a. The school complies with the essential terms of the education program as stated in the charter.
- b. The school, if intended primarily for at-risk pupils, complies with NRS 386.500 and NAC 386.150(9) regarding serving at-risk pupils.

2. Education requirements

- a. The school complies with NRS 386.550(1)(i) and NRS 389.018(1) by providing instruction in the core academic subjects.
- b. The school complies with NRS 386.550(1)(i) by providing the courses of study required for promotion or graduation.
- c. The school complies with NRS 386.550(1)(f) and NAC 386.350(7) regarding amount of instructional time.
- d. The school complies with NRS 386.583 regarding academic retention requirements.
- e. The school complies with applicable promotion and graduation requirements.
- f. The school complies with applicable statutes and regulations regarding the state's adopted curriculum content standards.
- g. The school complies with NRS 386.550(1)(g) and Chapters 389 of NRS and NAC regarding state assessments and testing practices.
- h. The school complies with all applicable requirements regarding programming and reporting resulting from federal or non-DSA state funding including Title I, Title IIa, and Title III.

3. Students with disabilities

- a. The Charter School assures that it will adopt procedures that align with state and federal requirements in the following areas: [special education].

4. English Language Learner Students

- a. Proper steps for identification of students in need of ELL services.
- b. Appropriate and equitable delivery of services to identified students.

- c. Appropriate accommodations on assessments.
- d. Evaluation of ELLs': English Language Progress and Attainment (Exiting from program-Proficiency), and content Achievement.
- e. Ongoing monitoring of exited students (for 2 years after program exit).
- f. Assess the success of the ELL program and modify it where needed.
- g. Collection and Reporting of Timely and Accurate Data upon Request of the NDE/SPCSA.

II. Financial Management and Oversight

1. Financial Reporting and compliance

- a. The school complies with NAC 387.625, NAC 387.775(5), NAC 387.775(6) and NAC 387.775(9) regarding completion and on-time submission of the annual independent audit and corrective action plans, if applicable.
- b. The school complies with NRS 386.570 regarding all money received must be deposited in a financial institution in this state.
- c. The school complies with NRS 386.550, NAC 387.720 and NAC 387.725 regarding the adoption of a budget.
- d. The governing body of the school complies with NRS 387.303 regarding the annual report of budget.
- e. The governing body of the school complies, in writing, with NRS 386.573 regarding orders for payment of money.
- f. The school has submitted required expenditure reporting to In\$ite (Schoolnomics Consulting Services) required by the Legislative Counsel Bureau as authorized by **NRS 218E.625** and **NRS 386.605**: yes/no.

2. Financial management and oversight

- a. An unqualified audit opinion in an annual independent audit as required by NAC 387.625 and NAC 387.775.
- b. An annual independent audit, as required by NAC 387.625 and NAC 387.775, devoid of significant findings and conditions, material weaknesses, or significant internal control weaknesses.

- c. An annual independent audit, as required by NAC 387.625 and NAC 387.775 that does not include a going concern disclosure in the notes or an explanatory paragraph within the audit report.
- d. The school's governing body has adopted written financial policies.
- e. Internal control consideration as a basis for design of the annual independent audit in conformity with NAC 387.625 and NAC 387.775.
- f. Financial Transaction Testing in conformity with NAC 387.625 and NAC 387.775.

III. **Governance and Reporting**

1. **Governance and reporting**

- a. Board policies adopted by the board and housed in AOIS' Permanent Files, if such policies have been adopted by the board and submitted into AOIS.
- b. NRS 386.520, Board bylaws as approved by the sponsor.
- c. NRS 386.550, Open Meeting Law.
- d. NRS 386.549, Conducting at least quarterly meetings.
- e. NRS 386.549, Salary for meeting attendance.
- f. NRS 386.549, Submission of signed and notarized affidavit for board service.
- g. NRS 386.549, Board composition/required membership.
- h. NAC 387.770(3), Designation of the person responsible for the maintenance of property, equipment and inventory records.
- i. NRS 386.605, Annual report of accountability.
- j. NRS 385.357(6), Plan to improve the achievement of pupils.

2. **Management accountability**

- a. NAC 386.405(5), Evaluation of any EMO with which the school has contracted, per the written performance agreement between the board and the EMO if applicable.
- b. NAC 386.405(6), Provision by the EMO, if applicable, of the financial report.
- c. NAC 386.410(5), Evaluation of the performance of each entity with whom the board has entered into a contract, including the school administrator.

- d. NAC 386.405(4), if applicable, approval of the appointment of key personnel who are directly employed and provided to the school by an EMO.

3. Reporting requirements

- a. The school complies with reporting requirements as described in the AOIS Reporting Requirements Manual including those related to the AOIS Permanent Files.
- b. The school complies with reporting requirements related to an authorizer-imposed corrective action plan or notice of concern, if applicable.

IV. Students and Employees

1. Rights of students

- a. The school's lottery method, maintenance of an enrollment waiting list, and enrollment practices are consistent with guidance provided by the Authority on its website.
- b. The school's enrollment recruiting and advertising comply with the school's charter school application as stated in Required Element A.7.4 and elsewhere.
- c. The school collects, protects and uses student information appropriately.
- d. The school complies with NRS 386.555 regarding the prohibition of support by or affiliation with religion or religious organizations.
- e. The school complies with NRS 386.585 and NRS 392.4655-.4675 regarding school discipline.

2. Attendance goals

- a. The school complies with NAC 386.350 regarding attendance.

3. Staff credentials

- a. The school complies with NRS 386.590 regarding staff credentialing.

4. Employee rights

- a. The school complies with NRS 386.595 regarding employee rights.

5. Background checks

- a. The school complies with NRS 386.588 regarding criminal history of employees.

V. School Environment

1. Facilities and transportation

- a. Have current fire, building, health and asbestos inspection documents and approvals, including the certificate of occupancy, been submitted into AOIS in compliance with NAC 386.170?
- b. The school complies with NAC 386.215 regarding insurance coverage by submitting into AOIS the current Affidavit for Provision of Insurance Coverage.
- c. The school complies with Section C.4 of its charter school application and NRS 392.300-392.410 regarding pupil transportation.

2. Health and safety

- a. The school complies with NRS 389.065 (sex education); NRS 391.207-391.208 (nursing services); NRS 392.420, 392.425, 392.430, 392.435, 392.437, 392.439, 392.443, 392.446, and 392.448 (school health and safety); and NAC 389.2423, 389.2938, 389.381, and 389.455.
- b. The school complies with NRS 392.616 regarding establishment of a crisis and emergency response development committee.
- c. The school complies with NRS 392.624 regarding annual review and update of the NRS 392.620 plan for responding to a crisis or emergency.

3. Information management

- a. The school complies with the Family Educational Rights and Privacy Act (FERPA), the Protection of Pupil Rights Amendment, and the Military Recruiter Provisions of the NCLB Act of 2001.
- b. The school complies with applicable state or federal freedom of information requirements.
- c. The school complies with applicable student record transfer requirements.
- d. The school complies with applicable requirements for the proper and secure maintenance of testing materials.

VI. Additional Obligations

1. Additional obligations

- a. The school and its governing body comply with the terms and conditions of its charter.

- b.** The school complies with NAC 386.342 and NAC 387.770 regarding inventory documentation.
- c.** The school (applicable only to high schools) complies with NRS 386.550(1)(m) and NAC 386.350(10) regarding notification of accreditation status.
- d.** The school complies with NRS 386.550(1)(c) and Section C.2 of its charter school application regarding fees.
- e.** The school complies with requirements regarding maintenance of personnel records.
- f.** The school complies with NAC 386.345(2) and NRS 332.800 regarding purchasing and prohibition of board member interest in contracts.
- g.** The school complies with NRS 392.040 regarding age of enrollment in grades K, 1 and 2.

Exhibit B

NVVA Charter School Contract

Exhibit B

CHARTER SCHOOL CONTRACT

between

State Public Charter School Authority

and

Nevada Virtual Academy

Contents	5
CHARTER CONTRACT	5
RECITALS	7
Part 1: Continued Operation of the School	7
1.1 Continued Operation	7
1.2 Parties	7
1.3 Term of Charter Contract	7
1.4 General	9
1.5 Charter School Governing Body	9
1.6 Location	9
1.7 Facilities	10
1.8 Charter School Independence	10
Part 2: School Operations	10
2.1 Open Meetings and Public Records	10
2.2 Mission Statement	11
2.3 Age; Grade Range; Number of Students	11
2.4 Non-discrimination	12
2.5 Student Recruitment, Enrollment and Attendance	12
2.6 Tuition, Fees and Volunteer Requirements	12
2.7 School Calendar; Hours of Operation	12
2.8 Student Conduct and Discipline	12
2.9 Service Agreements, Contracts, Facility Lease or Purchase	13
2.10 Contracts with an Educational Management Organization	14
2.11 Employment Matters	14
2.12 Student Health, Welfare and Safety	15
2.13 Transportation	15
Part 3: Educational Program	15
3.1 Design Elements	15
3.2 Curriculum	15
3.3 Student Assessment	16
3.4 Special Education	16
3.5 English Language Learners	16
Part 4: Charter School Finance	18
4.1 Financial Management	18
4.2 Budget	19
4.3 Charter School Funding	19
4.4 Authority Funding	19
Part 5: Insurance and Legal Liabilities	19
5.1 Insurance	19
5.2 Liability	19
Part 6: Transparency and Accountability	2
Nevada Virtual Academy Renewal Contract	6.28.13

6.1	Charter School Reporting	19
6.2	Additional Reporting	20
6.3	Authority Reporting	20
Part 7: Oversight		
7.1	Authority	20
7.2	Inspection	20
7.3	Site Visits	20
7.4	Notification	20
7.5	Intervention	21
Part 8: Termination and Default Termination		
8.1	Termination	22
8.2	Default Termination	22
8.3	Other Remedies	23
Part 9: Closure		
9.1	Closure	23
Part 10: Dispute Resolution		
10.1	Dispute Resolution	23
Part 11: School Performance Standards and Review		
11.1	Performance Standards	24
11.2	Review	24
Part 12: Contract Construction		
12.1	Entire Charter Contract	25
12.2	Authority	25
12.3	Notice	25
12.4	Waiver	25
12.5	Non-Assignment	26
12.6	Applicable Law	26
12.7	Material Amendments	26
12.8	Non-Material Change - Notification Required	26
12.9	Other Changes – Determination as Material or Non-Material, Requiring Notification or Not.	27
12.10	Severability	27
12.11	Third Parties	27
12.12	Counterparts; Signatures	27
12.13	Material Breach	27
SIGNATURE PAGE		28
EXHIBIT #1		29
Charter School Performance Framework		29
EXHIBIT #2		30
Articles and Bylaws		30

EXHIBIT #3

Renewal Application

EXHIBIT #4

Charter Application

31

31

32

32

CHARTER CONTRACT

This agreement constitutes a Charter Contract (the "Charter Contract") executed on this twenty eighth day of June, 2013 by and between the State Public Charter School Authority (the "Authority"), and Nevada Virtual Academy (the "Applicant(s)") (collectively, the "Parties") to establish and operate the Nevada Virtual Academy CHARTER SCHOOL (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 June 29, 2007, the State Board of Education approved the proposed charter application as set forth in Exhibit #4 (initially or as amended, the "Charter Application") and incorporated herein; and

WHEREAS, on July 7, 2007, the Parties have previously entered into an agreement (the "Written Agreement") dated June 29, 2007 for the establishment of the School; and

WHEREAS, on June, 29, 2013, the Parties previous Written Agreement will expire; and

WHEREAS, on June 21, 2013, the Authority approved the renewal application as set forth in Exhibit #3 ("Charter Renewal Application") the terms of which are incorporated by reference herein, subject to conditions outlined in the Authority motion; and

WHEREAS, the Parties' intend that this Charter Contract serve as a performance contract that succeeds and replaces the Written Agreement and 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: Continued Operation of the School

1.1 Continued Operation

1.1.1 As authorized by the Nevada Revised Statute (NRS) 386.509, the Authority hereby authorizes the continued 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 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 governing body ("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 shall be six (6) years.

1.3.2 This Charter Contract is effective upon execution, and the term of the Charter Contract begins July 1, 2013 and will terminate on June 30, 2019, 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 NRS 386.553.

1.4.3 The Charter School and its governing body (the "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 The Charter School is considered a school of the Local Education Agency pursuant to NRS 386.513.

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 and/or 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, and bylaws are set forth in Exhibit #2 (initially or as amended, the "Articles and Bylaws") and incorporated herein by reference. Any modification of the Articles and Bylaws constitutes a material amendment of the 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.
- 1.5.5.2 Composition. The composition of the Charter Board shall at all times be determined by and consistent with the Articles 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 (e.g., 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 or the Articles and 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 of applicable law by December 1, 2013. The Charter Board shall, at all times, comply with the provisions of the Conflicts of Interest Policy. The adopted and approved Conflict of Interest Policy shall be maintained in the Authority's established document library. 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-Commingleing. 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 provide educational services, including delivery of instruction, at the location(s):

8965 South Eastern Avenue, Suite 330
Las Vegas, NV 89123

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 a 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 Pursuant to NRS 386.565, the board of trustees of a local school district in which the Charter School is located 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 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.

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 #4 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 grades K - 12 and numbers in each year of operation under the Charter Contract.
- 2.3.2 The Charter School shall enroll pupils up to a maximum enrollment that is equal to the lesser of 4,446 pupils or the count day enrollment for SY2013-2014. Once the enrollment is determined for SY2013-2014 in the manner stated above, that enrollment number shall be the maximum enrollment for the Charter School under this Charter Contract.
- 2.3.3 The Charter School may make modifications as to 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.
- 2.3.4 Elimination of a grade level that the Charter School was scheduled to serve, expansion to serve grade levels not identified in 2.3.1, and an annual increase/decrease in total enrollment by more than 5% 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.

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, need for special education services, income level, athletic ability, proficiency in the English language or any other ground 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 or need for special education services. In no event may the Charter School limit admission based on race, ethnicity, national origin, gender, disability, income level, athletic ability, 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 - 392.467 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 to ensure 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

- 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 educational management organization (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 of the Charter School 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 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 Charter School, or from conduct committed or alleged to have been committed on the premises of the Charter School or by the Charter School, or from conduct committed by the management, or by its employees, officers, directors, subcontractors, or agents, during the term of this Charter Contract or any renewal thereof. 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 management contract is considered a material amendment of the Charter Contract and Charter School shall not enter into such agreement without written Authority approval.
 - 2.10.2.5 The termination or change of an EMO 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.
- 2.11 **Employment Matters**
- 2.11.1 All employees of the Charter School shall be deemed public employees.
 - 2.11.2 In general, 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; or 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 #4 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 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.

3.2.2 Any modification to the curriculum, either individually or cumulatively, that are of such a nature or degree as to cause the curriculum described within the approved Charter Application to cease to be in operation will be considered a material amendment of the 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.

3.3 Student Assessment

3.3.1 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 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 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") recommended 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 Parties.
- 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 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 as 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 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 annual 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 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 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 weighted count of enrollment of pupils on the last day of the first school month of the school district in which the charter school is located for the school year ("Count Day"). The first school month is the thirty day period beginning on the first day of a school year, so long as that thirty day period includes at least twenty school days.

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 the number of pupils enrolled on Count Day.

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 for 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, 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 386.550, 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 Authority shall provide Charter School with a Reporting Requirements Manual

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

6.1.2 Authority shall provide 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 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 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 Charter School and may take all reasonable steps necessary to confirm that 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 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 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 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 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 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 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 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.

8.1.2 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 the property of the school district or the community in which the Charter School is located.

8.1.4 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 three consecutive 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 for any school year before the 2013-2014 school year must not be included in the count of consecutive annual ratings.

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 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 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 of the Authority. The 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 Charter Application, Charter Renewal 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.

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:
8965 South Eastern Avenue Suite 330
Las Vegas, NV 89123

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(6) any 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 as defined in the Operations Manual. An 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 location (change of site and/or adding or deleting sites);
- 12.7.1.2 Changes to the Bylaws and/or Articles of Incorporation;
- 12.7.1.3 Elimination of grade level/Expansion to serve grade levels/Increase or Decrease in total enrollment;
- 12.7.1.4 Changes to the name of the Charter School;
- 12.7.1.5 Proposal to enter into a contract with an Educational Management Organization or termination of a contract with and Educational Management Organization;
- 12.7.1.6 Changes to the Mission Specific indicators; and

- 12.7.1.7 Changes to the curriculum that are of such a nature to cause the curriculum within the Charter Application to cease to be in operation.
- 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(6); 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; and
 - 12.8.1.3 Changes in the composition of the Charter Board.
- 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; no 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 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 Board

Please print your name: DON M. CURRY

Date: July 25, 2013



Chair, State Public Charter School Authority

Please print your name: Elissa M Welch

Date: 8.3.2013

EXHIBIT #1

Charter School Performance Framework

EXHIBIT #2

Articles and Bylaws

EXHIBIT #3
Renewal Application

EXHIBIT #4
Charter Application

Exhibit C

June 21, 2013
NSPCSA Board
Meeting Minutes

Exhibit C

NEVADA STATE PUBLIC CHARTER SCHOOL AUTHORITY

June 21, 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:

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

In Carson City:

None

AUTHORITY MEMBERS ABSENT:

None

AUTHORITY STAFF PRESENT:

In Las Vegas:

Traci House, Business Process Analyst II, State Public Charter School Authority
Steve Canavero, Director, State Public Charter School Authority
Katherine Rohrer, Education Program Professional, 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
Brian Planner, Administrative Services Officer, 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:

Donna Fiery
Caroline McIntosh
Don Curry
Rick Gordon
William Buchovi
Steven Walters
Bill Thornton
Dr. Gus Hill
Ercan Aydogdu
Ryan Reeves
Richard Moreno
Ruth Parker
Heidi Arbuckle
Katie Pellegrino
Elizabeth Dixon
Susan Waters
April Taggart
Orlando Dos Santos
Danny Diamond
Kirby Okuda

In Carson City:

John Hawk
Jennifer Dukek
Rorie Fitzpatrick
Marcia Clevan

CALL TO ORDER; ROLL CALL; PLEDGE OF ALLEGIANCE; APPROVAL OF AGENDA
Chair Conaboy called the meeting to order at 2:00p.m. with attendance as reflected above.

Agenda Item 1 - Public Comment

None

Chair Conaboy called for a motion for a flexible agenda.

Member Mackedon moved for the approval a flexible agenda. Member Abelman seconded. The vote was unanimous.

Agenda Item 2 – Approval of April 16, 2013 SPCSA Board meeting minutes

Chair Conaboy said there were some grammatical edits and would submit those to Director Canavero.

Member Mackedon moved for the approval of the April 16, 2013 SPCSA meeting minutes. Member Abelman seconded. The vote was unanimous.

Agenda Item 5 – Director’s Report

Director Canavero began by discussing the Subsection 7 schools that are currently in the process of fulfilling their pre-opening requirements. Staff has been working with the Subsection 7 charter holders and a few schools already determined they would not be opening for the 2013-2014 school year. The schools that were not planning on opening were American Preparatory Academy and New America Charter School. The rest of the Subsection 7 charter holders were still planning to open in time for the 2013-2014 school years.

Director Canavero described a new staff position at the Authority for an Education Program Professional; this person will handle the Federal programs for the SPCSA. Currently Angela Blair was doing both Special Education and Federal Programs and the workload was too large for one person to handle.

Director Canavero noted that, overall, the first year of the schools using Title I funds worked well. He also said that next year the Title I program would change because some of the schools would be moving away from Targeted Assistance, which is more difficult to work with, to School-Wide dispersal. Member McCord asked if there was any information about the effects of the Sequester, and Brian Flanner explained the Nevada Department of Education was still working to fully assess possible impacts.

Director Canavero described the emergency contract used to hire a lawyer to assist in the development of the Memorandum of Understanding addressing Special Education now that the SPCSA is the Local Education Agency (LEA).

Agenda Item 6 – SPCSA FY14 Budget

Brian Flanner and Katie Higday spoke about the growth of the SPCSA as an agency. Mr. Flanner explained that on July 1, 2013 the SPCSA would completely split from the Nevada Department of Education and become its own stand-alone agency. He said there were challenges in the development and implementation of some new policies that underpin a stand-alone agency, but overall the process had been very smooth. Mr. Flanner commended Ms. Higday’s organizational skills and creative approach to problem-solving. Ms. Higday explained many of the details of the processes that had been implemented to meet the needs of the SPCSA as an agency.

Mr. Flanner explained that the SPCSA’s budget will continue to be unpredictable, because there is no previous fiscal year budget to use as a foundation. He anticipates that there will be numerous presentations to the Interim Finance Committee as the budget is adjusted. He said that the LEA status will precipitate changes in the budget, including the hiring of new staff and training for all staff on new policies and procedures.

Agenda Item 7 – Legislative Update

Chair Conaboy provided a review of important legislation passed during the 2013 session:

AB 205—This bill requires a performance framework for a charter school be incorporated into the charter contract; provides oversight and review of charter school sponsors by the Department of Education; sets forth the grounds for termination of a charter contract, based on rankings earned under the state’s performance framework; and extends enrollment lottery exceptions to all charter schools, not just at-risk schools. The bill contains a trigger for automatic closure of a charter school; the law now requires that if a charter school has a one-star rating in the Nevada School Performance Framework for three consecutive years, the school with be

closed. Director Canavero clarified that the Department of Education is developing a performance framework for alternative schools, which may otherwise receive low ratings in the current star system.

SB 384 – This bill authorizes the Director of the Department of Business and Industry to issue bonds and other obligations to finance the acquisition, construction, improvement, restoration or rehabilitation of property, buildings and facilities for charter schools.

SB 443—This bill requires the Department of Education to adopt regulations prescribing: (1) the process and timeline for review of an application for authorization to sponsor charter schools; (2) the process for the Department to conduct a comprehensive review of sponsors of charter schools approved by the Department at least once every 3 years; and (3) the process for the Department to revoke the authorization of a board of trustees or a college or university to sponsor charter schools.

SB 500 – This bill creates the Task Force on K-12 Public Education Funding to recommend a plan for implementing a funding formula that takes into account the needs of, and the costs to educate, pupils based upon the individual educational needs and demographic characteristics of pupils, including, without limitation, pupils from low-income families, pupils with disabilities and pupils who have limited proficiency in the English language. The director of the Charter School Authority is a member of the task force.

SB 471—This bill became SB 3 in the 2013 special session; it transfers the responsibility to administer the Account for Charter Schools from the Department to the State Public Charter School Authority and revises the maximum total amount of a loan that may be made to a charter school.

Chair Conaboy also added that a number of new committees were formed during the legislative session and she would like to have some charter school individuals represented on those committees. She spoke with the director of the Charter School Association of Nevada to recommend that CSAN nominate individuals so the charter school voice could be heard on these committees during the interim.

Chair Conaboy thanked the board's legislative liaisons, Bob McCord and Nora Luna, for their help during the session and said that she believes that during the session, they had been able to successfully position the SPCSA as the go-to entity regarding charter school policy.

Agenda Item 13 – Discussion and development of policy related to the Director of the State Public Charter School Authority pursuit of other business as described in NRS 386.5115

Chair Conaboy asked that this item be placed on the agenda as a follow-up to the April 16, 2013 SPCSA Board meeting. Director Canavero wanted to ensure that he was consistent with NRS when participating on boards, commissions, or other entities regarding charter schools. If the board or commission was not aligned with the SPCSA then he would take furlough or leave while participating in the outside activities.

Chair Conaboy referenced the "other duties" in NRS and said that taking part in other duties was a part of the director of the SPCSA's job. She said she felt that Director Canavero did not need to take leave or furlough while participating in the outside activities. Member McCord recommend that Director Canavero follow-up with Caren Jenkins at the Nevada Ethics Commission in order to make sure that all applicable statues were being followed.

Agenda Item 10 – Discussion of the SPCSA designation as the Local Education Agency (LEA) for purposes of Special Education

Interim Superintendent Fitzpatrick and Marva Clevan, state Special Education director, spoke to the board about the Local Education Agency status the SPCSA received based on federal recommendations to DOE. Ms. Clevan said that major reason for the change was the bifurcated funding model used by the DOE. Federal suitors indicated that the state could have just one process or formula for awarding special education funds.

By designating the SPCSA as an LEA, Authority schools will be treated the same as the other school districts in the state. Superintendent Fitzpatrick also added that the SPCSA-sponsored charter schools now have access to Title I funding and with that the SPCSA had to be named as the LEA for the purpose of fund distribution.

Chair Conaboy asked how the administration of the Title I funding would function. Ms. Clevan said it would be very similar to how school districts operate, however the allocation can be different because each charter school is its own unique school which differentiates the SPCSA district from a regular school district. Superintendent Fitzpatrick added that it will be the responsibility of the SPCSA to determine the allocations for the Title I funding distribution based upon the needs of each of the charter schools eligible for the funding.

Member Wahl asked if any of the SPCSA-sponsored charter schools are operating early childhood education. Ms. Blair, SPCSA Education Program Professional, said there are some schools that have the early childhood education; however it is mostly special education students who are not yet six years old that are enrolled in kindergarten at the charter school. Ms. Clevan said that the special education funding passing through the SPCSA will create better accountability for special education expenses in the charter schools.

Chair Conaboy asked that Superintendent Fitzpatrick and Ms. Clevan walk the Authority through the changes that would be implemented now that the SPCSA would be the LEA, specifically what responsibilities would be shifted from the Nevada Department of Education to the SPCSA. The answer is that the SPCSA is now responsible to monitor the special education expenses and adherence to other special education requirements at the charter schools. In the past, the NDE would monitor the charter schools yearly. Ms. Fitzpatrick indicated that the Authority needs to determine the distribution formula for allocating Title I funds to each of the charter schools. Ms. Blair said she had already been in contact with the charter schools to begin dialogue on the special education needs of each of the charter schools, which would help in determining what the funding formula would look like.

Chair Conaboy asked Interim Superintendent Fitzpatrick what the liability of the Authority will be now that it has been designated an LEA. Superintendent Fitzpatrick suggested that the Authority develop a Memorandum of Understanding in order to properly clarify the responsibilities of both the SPCSA and the charter schools it sponsors. She said the Authority would have to determine what its liability will be as opposed to the burden that each charter school would carry in the case of a due process filing. Director Canavero indicated that the Authority executed a contract with Paul O'Neill to help with the development of such an MOU.

Member Wahl asked how the funds would be distributed; Director Canavero said that the pot of money the State draws from is fixed and the formula is uniform for all of the school districts across the state. Chair Conaboy asked about the new DSA funding formula that was discussed during the 2013 Legislative session and how it would affect the SPCSA-sponsored schools. Superintendent Fitzpatrick said that she couldn't give exact details because she said she hopes a new funding formula for the state will be developed during the interim. The SPCSA director will sit on the interim Task Force to develop the new formula that will be proposed in 2015. Chair Conaboy closed the discussion by thanking Superintendent Fitzpatrick and her staff at the Nevada Department of Education for working closely with the SPCSA during the 2013 Legislative session.

Agenda Item 8 – Review of Academic Indicators and feedback from school administrator and governing board meetings

Director Canavero began by recalling for the board the approvals of both the Organizational and Financial Performance Frameworks to be included in charter contracts. Dr. Katherine Rohrer, Education Program Professional, then explained the process undertaken in the development of the Academic Performance Framework.

She said over the course of March through May she visited and met with both the administrators and governing boards of all 16 charter schools sponsored by the Authority. Dr. Rohrer said one of the main concerns at each

of the meetings was the performance standards, how they would be determined and how they would be used to measure the school. She stressed at the meetings that the Academic Framework will attempt to capture the uniqueness of each school and take that into account when the ratings were determined. Ms. Rohrer said that the Nevada Department of Education is developing performance measures for alternative schools; the schools she met with still had reservations about whether those new measures would accurately represent their schools. The schools did not want to be standardized into one category as they felt that would take away from their unique missions.

Dr. Rohrer said there was a lot of conversation regarding the comparison measure. She said that Churchill County was unique because it is a non-zoned school district so it was difficult to compare the charter school to the pupils zoned school because anyone can choose any school in the district.

Dr. Rohrer discussed the college and career readiness standards that especially affected the high schools. She said that the issue is what tools are available to the SPCSA to track students after they have graduated college. She said while the SPCSA has access to National Clearinghouse, overall it is limited in its ability to follow students who choose not to attend college, which is a population that is targeted by some of the SPCSA-sponsored schools. She said that since the SPCSA lacks some of these tracking tools, the SPCSA decided in the Academic Framework to measure content skill readiness while at the charter school to help determine the college and career readiness of the student populations.

Approval of the State Public Charter School Authority Performance Framework for implementation in the FY14/SY2013-2014

Director Canavero said that, prior to development of the new performance frameworks; the relationship between the sponsor and the charter schools was very compliance-based. We are now emphasizing academics and operational outcomes. He said the framework is meant to be a performance-based measure for all the charter schools, while maximizing each school's autonomy.

Director Canavero said in addition to establishing performance criteria for charter schools; the Charter School Performance Framework also ensures that the Authority is accountable to charter schools. The Authority is accountable for implementing a rigorous and fair oversight process that respects the autonomy that is vital to charter school success. This mutual obligation drives the Charter School Performance Framework, which is a collaborative effort with the common mission of improving and influencing public education in Nevada by sponsoring public charter schools that prepare all students for college and career success and by modeling best practices in charter school sponsorship.

The Authority acknowledges that charter schools need autonomy in order to develop and apply the policies and educational strategies that maximize their effectiveness. The Charter School Performance Framework balances these two considerations. The objective of the Charter School Performance Framework is to provide charter school boards and leaders with clear expectations, fact-based oversight, and timely feedback while ensuring charter school autonomy. The Performance Framework describes methods that seek the optimal balance between oversight and autonomy; the Framework is a dynamic document subject to continuous review and improvement.

Finally, Director Canavero explained the process that would be used. He said the Authority had studied best practices to develop the Performance Framework process. Throughout the school year, every charter school will submit scheduled documents and data that enable the Authority to assess their compliance with laws and regulations, and their progress in achieving important school milestones. The routine year round submissions are indicated in the Reporting Requirements Manual.

The Authority believes in conducting its oversight in a manner that is respectful of school autonomy and differentiated based upon charter school performance and maturity. Charter schools with a track record of compliance and performance do not need the same level of oversight as charter schools without such a track

record. The Authority's oversight plan includes the opportunity for schools during their first three years of operation, based on compliance and performance, to transition from demonstrated compliance to assumed compliance.

Every charter school will receive an Annual Review and a three year mid-term review. The reviews analyze a school's academic, financial, organizational, and mission specific performance along with information collected from the ongoing oversight processes. The mission specific indicators will be finalized at the beginning of the second school year using the first school year as the baseline. Site visits afford the SPCSA with an opportunity to appreciate a qualitative aspect of the school not directly measured in ways other than observation or personal interaction. The Authority has two types of official site visits: Mid-Term Review and Targeted. The Mid-Term Review site visit is guided by a clear purpose and rubric that complements the quantitative findings. A targeted site visit is driven by specific circumstances where the frequency and intensity of the visit will depend upon a particular circumstance.

Director Canavero discussed how the Authority Board relates to the performance frameworks that have been developed. He explained that contract renewal is a high stakes decision that the Authority has to make. Director Canavero said there are a number of indicators that need to be considered when making that decision, but up until now those indicators had not been well-defined. With the Performance Framework those indicators have been better defined and should aid the Authority when making these high-stakes decisions. He explained the performance expectations that the Authority would need to consider as the renewal decisions were presented. He said the school must be financially sustainable, organizationally sound, and meet performance requirements for academics. Director Canavero said that if the Authority approves these frameworks then the board is approving the standards to which non-renewal and revocation decisions would also be made. .

Member McCord asked what would happen if a school that was designated for multiple grade levels were to succeed in some of the grade levels, but fail in some of the other grade levels. Director Canavero said that this is an issue that is still be grappled with because the issue was not considered in the statutes. Director Canavero said more discussion will need to be held with various stakeholders to further clarify this issue when it arises.

Chair Conaboy asked for clarification as to why the organizational framework was less robust than the other two frameworks because the organizational framework measured the charter school's board success. Director Canavero said it was a choice made by staff to have the compliance portion of the framework be a checklist that is more of an ongoing compliance model as opposed to the financial and academic which is an annual compliance check. Director Canavero added that staff had hired an outside consultant to help with governance of the schools and his recommendations were going to be implemented in the frameworks to try to ensure the charter schools boards are active and engaged with the day-to-day education of the school. Member Van asked about the transition forward into the full framework model and how it would affect the charter schools. Director Canavero said that has been a concern that has been kept in mind during the development of the frameworks and the issue had been addressed with the schools.

Member McCord moved for the approval of State Public Charter School Authority Performance Framework for implementation in the FY14/SY2013-2014. Member Abelman seconded. The vote was unanimous.

Agenda Item 14 – Acknowledgement of Service

Director Canavero said three of the members of the Authority were appointed to a one-year term. At the time of the meeting, both Nora Luna and Elissa Wahl had been reappointed to the Authority. Staff was still waiting for more information on Marc Abelman's re-appointment.

Agenda Item 11 – Presentation of the charter contract consistent with statue revised by Assembly Bill 205

Director Canavero explained that with the passage of AB 205, staff worked with various parties, including the charter schools, to develop a charter contract. One of the main goals of the contract was to establish a clear relationship between the sponsor and the charter school and to define the responsibilities both parties have to one another, the state, and the students. Director Canavero said different state's models were used in the development along with input from the National Association of Charter School Authorizers. Director Canavero clarified the contract that was being shown to the Authority would be for schools that were up for renewal and there would be some minor differences between that contract and the contract for new schools that had not opened yet. Discussion focused on various aspects of the contract including: facilities, contract terms and definitions, academic agreements, school growth and enrollment caps, change of EMO, educational strategies, and material and non-material amendments. Chair Conaboy asked if the type of amendment a school requested would determine whether it would need to be heard by the Authority or just approved by SPCSA staff. Director Canavero will research this answer.

Chair Conaboy asked Director Canavero to clarify the dispute resolution language included in the charter contract. Tom McCormack, Education Programs Professional, said the language was not from statute and was language recommended by staff. Chair Conaboy asked if the dispute resolution would be used in cases of a charter denial, revocation, or non-renewal. Deputy Attorney General Shane Chesney said this would not be used in that case, but he did see the point the chair was making. Deputy Attorney General Chesney said the dispute resolution language was a carry-over from the previous charter application and there was some room for clarification moving forward.

Member McCord commented that the contract was stringent. Deputy Attorney General said that the contract tried to incorporate a broad framework and flexibility while not leaving the Authority open to litigation. Member Luna asked if there was an amendment clause that could cover any unique situations that may arise. Director Canavero confirmed the clause and stated that amendments could be proposed by both the sponsor and the charter school.

Agenda Item 12 – Consideration of the application for renewal submitted by Nevada Virtual Academy and recommendation to approve the Nevada Virtual Academy charter

Before the renewal consideration began, Chair Conaboy recused herself from the agenda item due to her work for K12 Inc. Member Wahl chaired the meeting in her absence.

Director Canavero presented the data for renewal of Nevada Virtual Academy, including the following:

- 2011-2012 Nevada School Performance Framework (NSPF)
 - 2 stars for both the Elementary and Middle School—Two star schools fall between the 5th and 24th percentiles of all Nevada public schools.
- Except for their opening year, the K-8 school has not made Adequate Yearly Progress (AYP).
 - 2007-2008 Adequate
 - 2008-2009 Watch
 - 2009-2010 In Need of Improvement, Year 1
 - 2010-2011 In Need of Improvement, Year 2
 - 2011-2012 In Need of Improvement, Year 3
- 2008-2009 is the only year in English language arts (ELA) that the K-8 school met the State's Annual Measurable Objective (AMO).
- Since 2008-2009, the K-8 school has consistently failed to meet the State's AMO in ELA.
- From 2008-2012, the K-8 school has consistently failed to meet the State's AMO in Math.
- For 2011-2012, the percentage of 4th-6th grade students obtaining their Adequate Growth Percentile (AGP) was 51% in reading and 36.8% in math.
 - Using the NSPF attribute tables, this places the school between the 25th and 50th percentiles in reading and between the 5th and 25th percentiles in math.

- For 2011-2012, the percentage of 7-8th grade students obtaining their AGP was 38.6% in reading and 15.4% in math.
 - The NSPF attribute tables place the school between the 25th and 50th percentiles in reading and between the 5th and 25th percentiles in math.
- For 2011-2012, in grades 4-6, the Median Growth Percentile (MGP) for both reading and math are between the 25th and 50th percentiles.
- For 2011-2012, in grades 7-8, the MGP for reading is between the 25th and 50th percentiles and for math the MGP is below the 5th percentile.
- For 2011-2012, in grades 4-6, the percentage of students identified as FRL, IEP, and/or ELL obtaining their AGP in reading was 42.7%, slightly above the 25th percentile. In math, the percentage was 25.7%, below the 5th percentile.
- For 2011-2012, in grades 7-8, the percentage of students identified as FRL, IEP, and/or ELL obtaining their AGP in reading was 32.4%, slightly below the 75th percentile. In math, the percentage was 11.6%, slightly above the 5th percentile.
- Continuous enrollment is below the state's average continuous enrollment. FY 12 percentage of students continuously enrolled was 57.70% compared to 94.5% at the state level. Nevada Virtual's continuous enrollment is also below a virtual school compilation of continuous enrollment percentage of 78.61% for FY 12.
 - Continuous enrollment for years 2008-2012 averaged 59.07%. This means that only a little over half of the student population enrolled on count day was still enrolled when testing begins in March of each school year.
- 2011-2012 Nevada School Performance Framework
 - 1 star—Schools among the lowest 5% of schools within the NSPF form the basis for a one-star rating.
- Adequate Yearly Progress
 - 2009-2010 Watch
 - 2010-2011 High Achieving-Growth
 - 2011-2012 Watch
- Growth increases from FY10 to FY11 earned the high school an AYP designation of High Achieving Growth. However, drops in proficiency rates in FY12, moved the high school back to an AYP Watch designation.
- Overall performance at the high school level is between the 25th and 50th percentile in both reading and math.
- The exception is the MGP in reading which is below the 5th percentile.
- Graduation rates for 2011 and 2012 are between the 25th and 50th percentile.
- Transfer numbers reported by the state indicate 69% of the original 2011 cohort left before graduation and 72% of the original 2012 cohort left before graduation.
- From 2009-2012, proficiency rates in both reading and math are below the State's AMO.
- The percentage of students above the State's AMO is consistently negative in both reading and math.
- Continuous enrollment is below the state's average continuous enrollment. FY12 percentage of students continuously enrolled was 48.90% compared to 94.5% at the state level. NV Virtual's continuous enrollment is also below a virtual school compilation of continuous enrollment percentage of 86.00% for FY 12.
 - Continuous enrollment for years 2009-2012 averaged 54.43%. This means that only a little over half of the student population enrolled on count day was still enrolled when testing begins in March of each school year.

Additional observations:

- With the exception of FY2011, the percentage of core classes without highly qualified teachers from 2007-2012 is higher than the percentage at the state.

- FY 2008, 66.70% versus 15.60%
- FY 2009, 26.30% versus 12.20%
- FY 2010, 12% versus 7.90%
- FY 2012, 13.6% versus 4.30%
- However from 2007-2011, the percentage of courses without highly qualified teachers has consistently dropped.
- As a Title I School, percentage of teachers not highly qualified is a concern.

Citing the persistent academic underperformance in both reading and math; low continuous enrolled percentages; and low graduation rates coupled with a high percentage of students transferring out before graduation, the Authority Staff conclude that Nevada Virtual's academic program has not been a success.

Director Canavero then moved onto the fiscal results of the report: Nevada Virtual Academy's independent audit report annually shows that their financial statements present fairly, in all material respects, the respective financial position, 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.

Near Term Viability and Fiscal Sustainability: Based on the Financial Indicators, Nevada Virtual Academy is marginally fiscally sound in the near term as indicated by their maintenance of barely sufficient liquid assets to pay liabilities that will mature in the next year and the maintenance of adequate cash to pay over one month of operating expenses. Their fiscal sustainability outlook is guardedly positive as evidenced by their annual position of debt in an amount almost exactly equal to their assets, their annual surplus margin equal to virtually zero, balanced by their positive annual cash flow.

In each of the past four fiscal years the Nevada Virtual Academy Governing Board has approved expenditures that exceeded total revenues resulting in a deficit at the conclusion of each fiscal year. The annual "accommodation credit" issued by Nevada Virtual Academy's Educational Management Organization (i.e., K12, Inc.) to erase the annual deficit is troubling. Absent that "accommodation credit," which the EMO is not required to issue, Nevada Virtual Academy would quickly become insolvent.

Accommodation credits received to date

FY08 - \$ 360,905

FY09 - \$1,219,634

FY10 - \$ 730,574

FY11 - \$2,290,042

FY12 - \$3,362,681

Total - \$7,963,836

Concern: Fiscal Accountability

The FY13 Annual Performance Audit (APA) performed by the Authority included a follow-up on the implementation of school based systems to resolve prior (APA) findings. The Authority found Nevada Virtual non-compliant on a matter the Authority deemed to be material (i.e., significant). As evidenced by deficit spending of almost \$8 million between fiscal years 2008 and 2012, the school is not financially sound. It is the Governing Board's statutory responsibility to maintain fiduciary accountability of their organization and spend within budgeted resources. Absent the in-kind contribution of almost \$8 million by the EMO with which it contracts, Nevada Virtual Academy would cease to be a going concern and would be forced to halt operations and liquidate its assets – displacing thousands of Nevada students.

Director Canavero then reported on Nevada Virtual's Organizational compliance.

Longitudinal Analysis of the Annual Performance Audit for Nevada Virtual Academy 2007-2012: Identification of Significant and/or Repeat Findings 16, 19, 2, 25, 23, 7, 10, 28, below, are subsections of NAC 386.410.

16. 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. During the 2008-2009 Nevada Virtual Special Education Compliance monitoring, there were findings made in technical and procedural processes. During the 2009-2010 school year, Nevada Virtual was on a Corrective Action Plan (CAP). They made all necessary corrections with their IEP's and their CAP plan was completed by the end of that school year. Nevada Virtual will have their IEP's monitored by NDE in May 2013, as part of DOE's monitoring rotation cycle for the state. Nevada Virtual has had no complaint reports filed with NDE for the years 2009 – 2013. Nevada Virtual turns in all required reports on time and they are complete and compliant. Nevada Virtual has had one due process hearing with NDE in August 2011. The school prevailed on all 7 issues brought forward by the Petitioner (parents).

19. 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.

As a Title I designated school, all teachers will have to be Highly Qualified or on a plan to meet the federal definition of Highly Qualified.

23. If the charter school provides instruction to pupils enrolled in kindergarten, first grade or second grade, a determination whether the charter school complies with NRS 392.040 regarding the ages for enrollment in those grades.

- Noncompliant for 2009-2010 and 2011-2012.

25. A determination whether the charter school provides written notice to the parents and legal guardians of pupils enrolled in grades 9 to 12, inclusive, whether the charter school is accredited by the Commission on Schools of the Northwest Accreditation Commission.

- Noncompliant for 2008-2009 and 2009-2010.

28. A determination whether the written inventory of equipment, supplies and textbooks that is maintained by the charter school pursuant to NAC 386.342 is current and accurate.

- Noncompliant for 2010-2011 and 2011-2012.

2. 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 2008-2009, 2010-2011, and 2011-2012.
Authority Staff await Nevada Virtual's response to requests for updated submissions related to compliance reporting for the Governing Body (e.g., affidavits and resumes, and corrected Board Roster) and revisions to the school's bylaws.

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

- Noncompliant for 2010-2011 and 2011-2012

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

- Noncompliant for 2011-2012.

Director Canavero then finished his report with the final recommendation:

Authority Staff believe there are two options to consider. Option 1: non-renewal of the school's written charter. Option 2: renew the written charter. Authority Staff recommend that the Authority Board consider renewal of Nevada Virtual Academy's written charter with the following provisions:

1. Make clear that this hearing serves as formal notice to Nevada Virtual Academy that the school's academic and financial performance are below the Authority's expectation;
2. The Charter Contract resulting from renewal of the charter shall include the following provisions specific to Nevada Virtual Academy;
 - a. The Governing Body must operate at all times within available revenues with no future credit accommodations from its chosen EMO; and
 - b. In consideration of the academic performance, a cap shall be placed upon Nevada Virtual's student enrollment that is equal to the lesser of the audited actuals from Count Day 2013 or the pupil count at Count Day 2014. The cap shall be a material term and condition within the Charter Contract.
3. Direct Authority Staff to conduct a high stakes review of Nevada Virtual's performance, against the Authority's expectations, and report findings and recommendations to the Authority Board that may include contract termination due to persistent underperformance or material breach of the terms and conditions of the charter contract, or a return to good standing. The review and recommendation(s) shall be presented to the Authority Board in Fall 2015, at which point Nevada Virtual must demonstrate substantial progress towards meeting the Authority's academic performance expectations.
 - a. Substantial progress will be based on the school's aggregate academic performance based on the Authority's academic indicators that will result in closing the gap between baseline (SY12/13) performance and "Adequate", as described in the performance framework within three years.

It is important to note that the presence of the high stakes review does not interfere with the Authority's ability to take action prior to Fall 2015.

Once Director Canavero was finished with the presentation the Nevada Virtual Academy's Board and Administrator were asked questions by the Authority. Don Curry, Nevada Virtual Board President, began by saying the NVVA board agrees that the results identified that had been found during the renewal process are not acceptable. He said the school had implemented some measures to remedy the poor academic results, including replacing the head of schools, better fiscal accountability, and slowing down the enrollment expansion that had been going on since the school was opened. Donna Fiery spoke about the finances of Nevada Virtual Academy, specifically the accommodation credit that was questioned by the Authority. Member McCord asked Ms. Fiery about the audit report and why it did not include the credit memo. She said this is because the liability was with K12 Inc. and not with Nevada Virtual Academy. Ms. Fiery said that K12 Inc. guarantees that the school will operate at a break-even level and that is why the credit accommodation was made. Member Wahl asked why a budget was approved that would put the school in debt each year and Ms. Fiery said the budget can change with changes in enrollment or other unexpected expenses. Member Wahl asked Mr. Flanner if other charter schools in Nevada had this type of credit accommodation and he said this situation was unique to Nevada Virtual Academy.

Representatives of Nevada Virtual Academy then presented to the Authority. Mr. Curry introduced Rick Gordon, William Buchovi, and Steven Walters as the board representatives of Nevada Virtual Academy. Mr. Curry discussed the growth that Nevada Virtual Academy had undergone over the course of its first six years in operation. He said that over the course of the six years the Nevada Virtual Academy board spent much of its time dealing with compliance issues and not enough time on academic results. Most of the time by the board was spent managing the astronomical growth of the school. He said the school also conducted an external review to give the school direction. Mr. Curry explained that the head of the school had been replaced and a new administrator, Caroline McIntosh, had been brought in to help the school turn around academically. Ms. McIntosh then spoke about the programmatic and academic improvements that the school had begun to undertake.

Ms. McIntosh said one of her main goals was to ensure all pupils enrolled in Nevada Virtual Academy would be both college and career ready. The school was also working with the Nevada System of Higher Education to develop a Memorandum of Understanding with the higher education institutes across the state. She said during the 2012-2013 school year the school was a Targeted Assistance Free and Reduced lunch school and the school has one of the highest Free and Reduced Lunch populations of any school in the state. She said the graduation rate was low at Nevada Virtual Academy because 60 percent of the 12th grade pupils who enroll at Nevada Virtual are credit deficient, which greatly affects the rate the graduation rate the school has. Ms. McIntosh said the school planned on having face-to-face meetings with families enrolling at Nevada Virtual Academy in order to fully explain the virtual environment to the student and the parents in order to determine if that model will be successful for that student. She then introduced Dr. Bill Thornton and Dr. Gus Hill who performed the external evaluation of Nevada Virtual Academy.

Dr. Hill and Dr. Thornton were hired by Nevada Virtual Academy to perform an external review of the school's curriculum and performance metrics. They started by giving an overview of the review they performed. The final report was not available but they gave highlights of the report they were going to present to Nevada Virtual Academy. They interviewed parents, teachers, students, and faculty during the course of their review. Dr. Hill said there were many positive things they found during their review including: parents' excitement for Nevada Virtual's environment, parents didn't mind that the school was designated as one star, the faculty was very engaged with the curriculum and are eager to start improving student achievement instead of growth, Nevada Virtual is moving from a school of last resort to being more selective with their enrollments, and there is movement to data-based decision making.

Dr. Thornton then explained the results of the interviews they conducted. They found that if you build the proper environment at a site then that site has the capacity to learn from its failures. He listed key observations: the new leadership at the school illustrates the desire for team learning, the organization has a vision of student achievement, professional development is now focusing on the mastering of teaching content instead of managing growth, and Nevada Virtual is moving to a systems-based teaching model that focuses on helping each student achieve. He finished by saying that if Nevada Virtual works on these observations, then the school will develop the ability to learn from their mistakes.

Member Abelman asked who funded the curriculum audit and Dr. Hill said the school had paid. Member Mackedon asked how many people were interviewed during the review and they said 12 parents, 15 faculty members and did not know exactly how many students. Member Wahl said that while no one is happy with the results of the school thus far, they were cognizant of the fact there was miscommunications during the course of the charter term. Mr. Curry agreed that the board of Nevada Virtual was not happy either with the report that had been received from the State Public Charter School Authority. He said that during the first six years the school was too focused on the growth, but that focus caused achievement to become secondary. Member Wahl and Member Van recommended that the board of Nevada Virtual Academy really follow-up on the changes they said they are making. Member Wahl said that if these changes are not made then the school would not have the chance to be renewed again in the future. Member Luna asked if there had been any changes to the composition of the board of the school. Mr. Curry said there had not been changes made to the board of Nevada Virtual Academy.

Kirby Okuda, Registrar, then explained the enrollment process for Nevada Virtual Academy at the request of Member McCord. Member Mackedon asked what happened to the old head of school. Ms. McIntosh said he had received a promotion and was now the deputy director of the western region for K12 Inc.

Ms. McIntosh gave further explanation regarding the discussion between the Authority and the Nevada Virtual Academy board. She said the curriculum audit had been recommended by SPCSA staff. She said she recognizes that the school has data problems and that would be a major concern of hers moving forward. She

said she was recommending the school hire a data analyst. Ms. McIntosh thanked the SPCSA staff for the assistance they had provided during Nevada Virtual's renewal process. Ms. McIntosh also added that she believes that it is the school's responsibility to ensure they are providing a rigorous curriculum that will challenge students and help prepare them for college or a career. She was concerned with Nevada Virtual's graduation rate recovery because of the short time period that had been allotted. She said the fiscal and organizational aspects would be much easier to fix than the academic aspects.

At the end of the discussion Member Wahl called for a motion.

Member Van moved for the approval of the application for renewal submitted by Nevada Virtual Academy with an enrollment cap of 5%. Member Abelman seconded. The vote was 4 – 2 for approval of the application for renewal, with Member Mackedon and Member McCord voting no.

Agenda Item 15 – Member Comment

None

Agenda Item 16 – Public Comment

John Hawk, Charter School Association of Nevada, spoke about the CSAN conference that had been recently held in Reno. He thanked Member Mackedon, Member Abelman, and Chair Conaboy for attending the conference. He also notified the Authority that he would be term-limited in January and would be replaced as the president of CSAN.

Member McCord moved for the adjournment. Member Van seconded. The motion carried unanimously.

The meeting adjourned at 5:22 p.m.

Exhibit D

September 16, 2013
Notice of Concern

Exhibit D

BRIAN SANDOVAL
Governor

STATE OF NEVADA

STEVE CANAVERO
Director



STATE PUBLIC CHARTER SCHOOL AUTHORITY

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

NV Virtual Academy
8965 S. Eastern Ave., Suite 330
Las Vegas, NV 89123

September 16, 2013

Dear Mr. Curry:

This is NV Virtual Academy's first Notice of Concern due to academic underperformance on the 2012-2013 Authority Academic Framework (Unsatisfactory), and Nevada School Performance Framework (Elementary School Rating—2-Stars, Middle School Rating—2-Stars, High School Rating—2-Stars).

In June 2013, the State Public Charter School Authority Board adopted a Performance Framework, which provides charter school boards and leaders with clear expectations, fact-based oversight, and timely feedback while ensuring charter autonomy. Pursuant to NRS 386.527, the Performance Framework is required to be incorporated into a Charter Contract. Within the Performance Framework, the following performance outcomes may be cause for revocation/termination of a school's charter:

Persistent Underperformance which is defined as a school with any combination of "Unsatisfactory" or "Critical" designations on the Authority Framework and a two-star or one-star ranking on the Nevada School Performance Framework for three consecutive academic reporting cycles.

Schools that have not yet executed with the State Public Charter School Authority an NRS 386.527 Charter Contract instead have a NAC 386.050 Written Charter which includes a written agreement signed by representatives of both the school and the school's sponsor. Within the written agreement "the Charter School agrees to report...on a regular basis the academic progress of the Charter School in meeting standards of achievement...In addition to any goals and description of how achievement of those goals will be measured that were approved in the Charter School application, or any subsequent

(AS IT THEN STANDS)

amendment, all provisions of NRS 385.3455 through NRS 385.391 (Statewide System of Accountability) construed as replacing, overriding, or taking precedence over NRS 385.3455 through NRS 385.391."

As defined by the Performance Framework, all schools begin outside of the intervention ladder and are considered to be In Good Standing. Schools In Good Standing receive non-intrusive regular oversight and are submissions tracking. Schools must meet performance targets and expectations including compliance and maintain open communication with us in exchange for this level of non-intrusive oversight.

Schools can enter Level 1 of the intervention ladder if the Authority receives a verified complaint of material concern or if regular oversight generates significant questions or concerns. NV Virtual Academy's academic performance for the 2012-2013 school year has generated significant concern and has moved NV Virtual Academy into level one of the intervention ladder. *(THIS IS WHY OLD CHARTER WAS IN OFFICE)*

To return to Good Standing, NV Virtual Academy must obtain a designation of "Approaches" or above on the Authority Academic Framework plus receive a three-star rating or above on the Nevada School Performance Framework for the 2013-2014 school year. If the concern is not remedied in the time allotted, NV Virtual Academy will enter Level 2, a Notice of Breach. Failure to meet the requirements specified in the Notice of Breach will result in entry to Level 3, Intent to revoke for Persistent Underperformance.

The State Public Charter School Authority is requesting to be added to the October 29, 2013 agenda in order to present this information. This date was pulled from the board calendar submitted in AOIS; if this is not correct, please contact the State Public Charter School Authority with an accurate date.

State Public Charter School Authority believes strongly in a quality public school of choice for every Nevada child, and we hope that NV Virtual Academy will join us in increasing the number of State Public Charter School Authority-sponsored quality charter schools by improving NV Virtual Academy's academic performance in the 2013-2014 school year.

Sincerely,



Steve Canavero, Ph.D.
Director
State Public Charter School Authority
1749 N. Stewart St., Suite 40
Carson City, NV 89701

CC: Caroline McIntosh
SPCSA Board Members
NV Virtual Academy Board Members

Exhibit E

December 15, 2014
Notice of Breach

Exhibit E

BRIAN SANDOVAL
Governor

STATE OF NEVADA

PATRICK GAVIN
Director



STATE PUBLIC CHARTER SCHOOL AUTHORITY

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

NV Virtual Academy
8965 S. Eastern Ave., Suite 330
Las Vegas, NV 89123

December 15, 2014

Dear Mr. Gurry:

This is NV Virtual Academy's first Notice of Breach due to academic underperformance on the 2013-2014 Authority Academic Framework (Approaches), and Nevada School Performance Framework (Elementary School Rating—2-Stars, Middle School Rating—3-Stars, High School Rating—2-Stars).

In June 2013, the State Public Charter School Authority Board adopted a Performance Framework, which provides charter school boards and leaders with clear expectations, fact-based oversight, and timely feedback while ensuring charter autonomy. Pursuant to NRS 386.527, the Performance Framework is required to be incorporated into a Charter Contract. Within the Performance Framework, the following performance outcomes may be cause for revocation/termination of a school's charter:

Persistent Underperformance which is defined as a school with any combination of "Unsatisfactory" or "Critical" designations on the Authority Framework and a two-star or one-star ranking on the Nevada School Performance Framework for three consecutive academic reporting cycles.

Schools that have not yet executed with the State Public Charter School Authority an NRS 386.527 Charter Contract instead have a NAC 386.050 Written Charter which includes a written agreement signed by representatives of both the school and the school's sponsor. Within the written agreement "the Charter School agrees to report...on a regular basis the academic progress of the Charter School in meeting standards of achievement...In addition to any goals and description of how achievement of those goals will be measured that were approved in the Charter School application, or any subsequent

amendment, all provisions of NRS 385.3455 through NRS 385.391 (Statewide System of Accountability) apply to the Charter School. Nothing in the [approved] application ...or this Agreement is to be construed as replacing, overriding, or taking precedence over NRS 385.3455 through NRS 385.391."

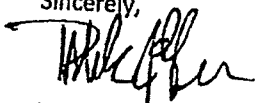
As defined by the Performance Framework, all schools begin outside of the intervention ladder and are considered to be in Good Standing. Schools in Good Standing receive non-intrusive regular oversight and submissions tracking. Schools must meet performance targets and expectations including compliance and maintain open communication with us in exchange for this level of non-intrusive oversight.

Schools can enter Level 2 of the intervention ladder for failure to comply with the specific actions and due dates required by the Notice of Concern. NV Virtual Academy's academic performance for the 2013-2014 school year has generated significant concern and has moved NV Virtual Academy into level two of the intervention ladder.

To return to Good Standing, NV Virtual Academy must obtain a designation of "Approaches" or above on the Authority Academic Framework plus receive a three-star rating or above on the Nevada School Performance Framework for the 2014-2015 school year. If the concern is not remedied in the time allotted, NV Virtual Academy will enter Level 3, Intent to Revoke. Failure to meet the requirements specified in the Intent to Revoke may result in revocation/termination proceedings or may be granted a revised Notice of Breach, returning to level 2.

State Public Charter School Authority believes strongly in a quality public school of choice for every Nevada child, and we hope that NV Virtual Academy will join us in increasing the number of State Public Charter School Authority-sponsored quality charter schools by improving NV Virtual Academy's academic performance in the 2014-2015 school year.

Sincerely,



Patrick Gavin

Director

State Public Charter School Authority

1749 N. Stewart St., Suite 40

Carson City, NV 89701

CC: Caroline McIntosh
SPCSA Board Members

Exhibit 30

Exhibit 30



Kara B. Hendricks
Tel 702.792.3773
Fax 702.792.9002
hendricksk@gtlaw.com

September 10, 2015

VIA FIRST-CLASS MAIL & EMAIL

Ms. Elissa Wahl
Vice Chair
State Public Charter School Authority
1749 North Steward Street
Suite 40
Carson City, NV 89706
briansmom99@yahoo.com

***Re: Nevada Virtual Academy Concern Regarding Premature
Placement on Charter Authority Intervention Ladder
Appeal from Director's Response to NVVA Complaint***

Dear Ms. Wahl:

Pursuant to Section 10.1.1 of the Charter School Contract between the Nevada Virtual Academy ("NVVA") and the State Charter School Authority ("Authority"), NVVA hereby appeals the response it received to a complaint submitted to Director Patrick Gavin. For your reference, attached hereto as **Exhibit 1** is a copy of the complaint NVVA submitted to Director Gavin on July 20, 2015 ("Complaint") and attached as **Exhibit 2** is a copy of the August 13, 2015 response NVVA received ("Response").¹

Issue on Appeal:

In its July 20, 2015 correspondence to Director Gavin, NVVA sought to resolve its premature placement on the Authority's Performance Framework intervention ladder.² As detailed in the July 20th complaint (which is incorporated herein by reference), NVVA was erroneously placed on the first rung of the intervention ladder using data from the 2012-2013 school year.

¹ As referenced in Exhibit 2, Mr. Gavin proposed that you review this matter as it is likely that the Board Chair would likely recuse herself due to a previously disclosed conflict of interest.
² For purposes of this Appeal, references to "intervention ladder" refer to Section 5 of the Performance Framework adopted by the Authority in June of 2013. A copy of the Performance Framework and intervention ladder are included as Exhibit A to NVVA's Complaint.
LV 420515011v1 156978.010100

Given that the Authority's Performance Framework was not adopted by the Authority until June of 2013 it was clearly erroneous to use the 2012-2013 school year data for intervention ladder placement. Indeed, the minutes of the Authority's Board Meeting Minutes from June of 2013 emphasize that the Performance Framework would be implemented beginning with the 2013-2014 school year. There is no reference to retroactive application of the Performance Framework which is inconsistent with Section 5 of the Performance Framework that clearly indicates the all schools begin outside the intervention ladder and were considered to be in "Good Standing." *See*, Ex. A, § 5 (to Exhibit 1, attached hereto).

Director's Response:

Despite multiple discussions with Mr. Gavin and prior correspondence to the Authority aimed to resolve this issue, the first written correspondence NVVA received "detailing" the Authority's position regarding use of the 2012-2013 data to place a charter school on the intervention ladder was the Response.³ The lack of information in support of Mr. Gavin's position and lack of transparency regarding the steps taken by the Authority when NVVA was placed on the intervention ladder is troubling. If the Authority has a legal basis supporting its decision to place NVVA on the intervention ladder in September of 2013, NVVA is entitled to know what that basis is. The following issues/questions raised by NVVA have not been addressed:

1. The Response does not indicate why data from the 2012-2013 school year was utilized in a framework that was not adopted until June of 2013.
2. Instead of providing a reasoned basis for the Authority's actions in September of 2013, the Response collectively references AB205 of the 2013 legislative session, the charter contract and the performance framework and simply states the decision was "well within the agency's statutory authority."
 - a. Where in AB205 of the 2013 legislative session, is the Authority vested with "statutory authority" to use data from 2012-2013 to place NVVA on the intervention ladder?

³ On November 22, 2013, Terry Care (former counsel for NVVA) emailed Steve Canavero to get clarification regarding the use of the 2012-2013 data for intervention ladder purposes. A response was not received. Thereafter, in March of 2014 Mr. Care forwarded his email to Shane Chesney who forwarded it on to Tom McCormack. Mr. McCormack responded, but did not address the use of the 2012-2013 data and simply referred Mr. Care to NVVA's Charter School Contract. Don Curry, the President of NVVA's Board of Directors sent detailed correspondence to Mr. Gavin on December 16, 2014 once again addressing the issue. Although Mr. Gavin agreed to meet with Mr. Curry and representatives of NVVA, a detailed explanation regarding the Authority's position regarding the use of the 2012-2013 data for intervention ladder purposes was not provided.

- b. Where in the charter contract is the Authority vested with "statutory authority" to use data from 2012-2013 to place NVVA on the intervention ladder?
 - c. Where in the Performance Framework is the Authority vested with "statutory authority" to use data from 2012-2013 to place NVVA on the intervention ladder?
3. The Response also offers no support for the position that the Authority's actions "were mandated by the Authority's statutory responsibilities." If such a mandate exists, NVVA should be apprised of what the mandate is and where it came from.

Resolution Requested

1. NVVA is simply asking that the guidelines the Authority adopted in June of 2013 be followed. As referenced on page 6 of the Performance Framework (Exhibit A to the Complaint attached hereto), "all schools begin outside of the intervention ladder and are considered to be in Good Standing." NVVA never got that chance.

NVVA understands it will be held accountable for its actions and is diligently working to improve the education it provides children in Nevada. NVVA is well aware of the rating system and discretion the Authority has in evaluating struggling schools. This is a separate issue with separate criteria and needs to be treated as such.⁴ The intervention ladder provides the Authority with an additional mechanism to ensure charter schools are meeting the requisite standards and was intended to be part of a process that included clear expectations, fact-base oversight and timely feedback.

Because Mr. Canavero did not follow the guidelines set forth in the Performance Framework, NVVA is requesting that his letter dated September 23, 2013 be withdrawn. This would enable data from the 2013-2014 school year to be evaluated to determine if NVVA should have been placed on the first rung of the intervention ladder in the fall of 2014.

2. Pursuant to Section 10.1.1 of this Charter School Contract, NVVA is requesting that you respond to this Appeal in writing and provide the basis for your decision and/or counter-proposal based on the issue raised by NVVA. Due to the nature of the issue at hand, NVVA believes the provisions of NRS 233B.126 are applicable to this matter and that

⁴ To be clear, the subject Complaint has no impact on the upcoming high stakes review that was incorporated into NVVA's contract with the Authority.
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your decision should be based on your analysis of the issue at hand and that direct communication with Authority staff regarding the issue is prohibited except upon notice and opportunity for all parties to participate.

We look forward to your review and response to this important issue.

Very truly yours,



Kara B. Hendricks, Esq.

cc: Patrick Gavin
Greg Ott
Don Curry
Caroline McIntosh

EXHIBIT 1

Kara B. Hendricks
Tel 702.792.3773
Fax 702.792.9002
hendricksk@gtlaw.com

July 20, 2015

VIA FIRST-CLASS MAIL & EMAIL

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

Re: Nevada Virtual Academy Concerns Regarding Premature Placement on Charter Authority Intervention Ladder

Dear Mr. Gavin:

I write on behalf of the Nevada Virtual Academy (“NVVA”) to address an unresolved dispute that NVVA has regarding the use of the 2012-2013 school year in the Letter of Concern sent to NVVA by Steve Canavero on September 23, 2013 and the December 15, 2014, Notice of Breach that NVVA received. The Letter of Concern and Notice of Breach were both referenced in your recent recommendation to Authority Board Members subsequent to NVVA’s request for an amendment. This is troublesome because you are well aware that NVVA believes that it was erroneously and prematurely placed on the Performance Framework¹ Intervention Ladder based on data from the 2012-2013 school year. As further detailed below, based on the Charter School Contract NVVA entered in June of 2013 and the plain language of the Performance Framework, the first year that should have been utilized for evaluation and placement on the Intervention Ladder is data from the 2013-2014 school year.

This has been a matter of ongoing discussion for quite some time as evidenced by written communication to both you and the prior Director of the Nevada State Public Charter School Authority (“the Authority”). Moreover, this was an issue that was discussed when we met in April of this year. **Due to the magnitude of this matter and because NVVA has yet to receive any written response to its prior communication regarding this issue, this correspondence is written pursuant to Section 10.1.1 of the Charter School Contract dated June 23, 2013 between NVVA and the Authority.**

¹ For purposes of this correspondence all references to “Performance Framework” are to the framework adopted by the Nevada State Public Charter School Authority in June of 2013. A copy of the Performance Framework is attached hereto as **Exhibit A**.

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ALBANY
ALBUQUERQUE
ATLANTA
AUSTIN
BALTIMORE
BOSTON
CHICAGO
DALLAS
DENVER
HOUSTON
LOS ANGELES
MIAMI
NEW YORK
PHOENIX
SAN FRANCISCO
WASHINGTON, DC
WIREN
WISCONSIN
WYOMING

Accordingly, NVVA formally requests that it receive a written response to this letter within 30 days. NVVA's complaint regarding the use of data from the 2012-2013 school year and its placement on the Performance Framework Intervention Ladder in September of 2013 is set forth below as well as its recommendation for a resolution.

Complaint

Background

As you are aware, in June of 2013, NVVA came before the Authority to have its charter renewed. (A copy of NVVA's Charter School Contract ("NVVA Contract") is attached hereto as **Exhibit B**.) At that time, the Authority made it clear that NVVA's academic and financial performance was below the Authority's expectations and certain conditions were placed on the operations of NVVA. Additionally, the Authority directed that a high stakes review of NVVA's performance would be held in the fall of 2015 and included guidelines for the review in Appendix D to NVVA's Contract. Separate and apart from the high stakes review, NVVA's Contract also included requirements under the Performance Framework that was adopted by the Authority on June 21, 2013 (the very same day that NVVA's Contract was renewed).² NVVA took the direction it received from the Authority very seriously and has implemented a number of measures to improve both the academic and financial performance of the school.

The Performance Framework adopted by the Authority in June of 2013 is distinct from the high stakes review. The stated objective of the Charter School Performance Framework is "to provide charter school boards and leaders with clear expectation, fact-based oversight, and timely feedback while ensuring charter autonomy." See Ex. A, page 1. The stated objective of "clear expectations" is clear evidence of the Authority's intent to provide charter schools with specific goals and oversight going forward. There is no indication therein that the Performance Framework would be applied retroactively and used to evaluate a schools prior performance. Indeed, given that the framework was not adopted by the Authority prior to June of 2013, a retroactive application would be counter-intuitive in that charter schools would be unable to fully prepare for a review and would not know prior to an evaluation what standards it was being evaluated on.

The minutes from the Authority Board meeting on the day the Performance Framework was approved provide further guidance regarding its use and implementation. (A copy of the minutes from the June 21, 2013 Charter School Authority Board Meeting are attached hereto as **Exhibit C**.) Specifically, the heading used on page 6 in the minutes specifies that the Performance Framework would be implemented for the 2013-2014 school year and states:

² See Exhibit A. Additionally, the Performance Framework is referenced as Exhibit 1, to NVVA's Contract.
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Approval of the State Public Charter School Authority Performance Framework for implementation in the FY14/SY2013-2014.

See, Ex. C, page 6 (emphasis added).

The text of the minutes from the Authority's June Board Meeting also evidences a plan to transition schools from "demonstrated compliance to assumed compliance." *Id.* at 7. Director Canavero explained that "if the Authority approves these frameworks then the board is approving the standards to which non-renewal and revocation would be made." *Id.* According to the minutes, a discussion was also had regarding transitioning forward into a full framework model. *Id.* Ultimately, the Board unanimously voted in favor for the approval of the Performance Framework "for implementation in the FY14/SY 2013-2014." *Id.* All references to implementation of the Performance Framework in the minutes of the June 21, 2013 Board Meeting specify that it will be implemented for the 2013-2014 school year. The minutes also reference "transitioning forward" with the new framework as well as providing the charter school with clear objectives.

Included within Section 5 of the Performance Framework is an Intervention Ladder that is to be utilized when the Performance Framework process results in adverse findings. See Ex. A, page 6. Moreover, as explained in Section 5 of the Performance Framework, all schools begin outside of the intervention ladder and are considered to be in "Good Standing" *Id.* As detailed below, NVVA was immediately issued a Notice of Concern and deemed not to be in "Good Standing." NVVA did not get the benefit of working under the guidelines of the Performance Framework before it was placed on Level 1 of the Intervention Ladder. This was an error that must be corrected.

Use of Performance Framework & Intervention Ladder

As set forth above, the Performance Framework adopted by the Authority in June of 2013 was to be implemented in the 2103-2014 school year. Moreover, it is well documented that the new Performance Framework and the Intervention Ladder would be utilized in evaluations of charter schools **beginning with the 2013-2014 school**. Notwithstanding the clear language within the Performance Framework and the meeting minutes from the June 2013 Authority Board; data from the 2012-2013 was used and NVVA received a "Notice of Concern" and was placed in Level 1 of the Intervention Ladder on September 15, 2013. (A copy of the September 15, 2013 correspondence from Steve Canavero is attached hereto as **Exhibit D.**)

NVVA was thereafter issued a Notice of Breach and moved to the second rung of the Intervention Ladder based on data from the 2013-2014 school year. Specifically, in December of 2014, NVVA received correspondence notifying it that the school had moved to the second rung of the Intervention Ladder and was deemed to have received a "Notice of Breach". (A copy of the December 15, 2014 correspondence from Patrick Gavin is attached hereto as **Exhibit E.**)

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NVVA is diligently working to improve the education it provides children in Nevada and serves a unique population that is not being catered to by the public school system. NVVA is making great strides in a number of areas and believes the Authority will continue to see progress in its academic and financial performance. NVVA is not disputing the need to improve its performance. However, using data from the 2012-2013 school year to place NVVA on the Intervention Ladder escalates the potential for revocation of NVVA's charter in an unfair and prejudicial manner. The use of the 2012-2013 data in a framework that was not adopted until after the 2012-2013 school year was complete is improper as a matter of law. Accordingly, NVVA seeks to resolve the discrepancies it sees with the use of the 2012-2013 data and its placement on the Intervention Ladder in September of 2013.

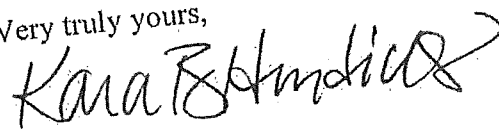
Recommended Resolution

Although NVVA understand that the 2012-2013 school year will be used as the baseline for the high stakes review in the fall of 2015, we find no support for the position that the 2012-2013 can be used in the Intervention Ladder that is part of the Performance Framework that was not adopted by the Authority until June of 2013.³ The use of the 2012-2013 data and placing NVVA on the Intervention Ladder just months after the Performance Framework was implemented is problematic and a critical issue for NVVA.

NVVA believes there is a simple resolution and that Letter of Concern sent to NVVA by Steve Canavero on September 23, 2013 should be withdrawn and the December 15, 2014, Notice of Breach should be amended and reissued as a Letter of Concern. This would place NVVA on the first rung of the Intervention Ladder. NVVA is not making excuses for what happened in its past, but is asking the Authority Board to provide it the three years contemplated by the Performance Framework to improve its school.

We appreciate your time and attention to this matter and look forward to receiving a written response to the foregoing complaint and recommendation that outlines your position regarding the relevant issues and either accepts the proposed resolution or offers an alternative resolution.

Very truly yours,



Kara B. Hendricks, Esq.

cc: Nevada Virtual Academy Board

³ During our meeting in April of this year, you explained that the Authority used the 2012-2013 school year data to place NVVA on the Intervention Ladder based on a reference to the 2012-2013 school year in Appendix D to NVVA's Charter Contract. NVVA believes this was done in error and that the reference in Appendix D is specific to the upcoming high stakes review.
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Exhibit A

Charter School Performance Framework

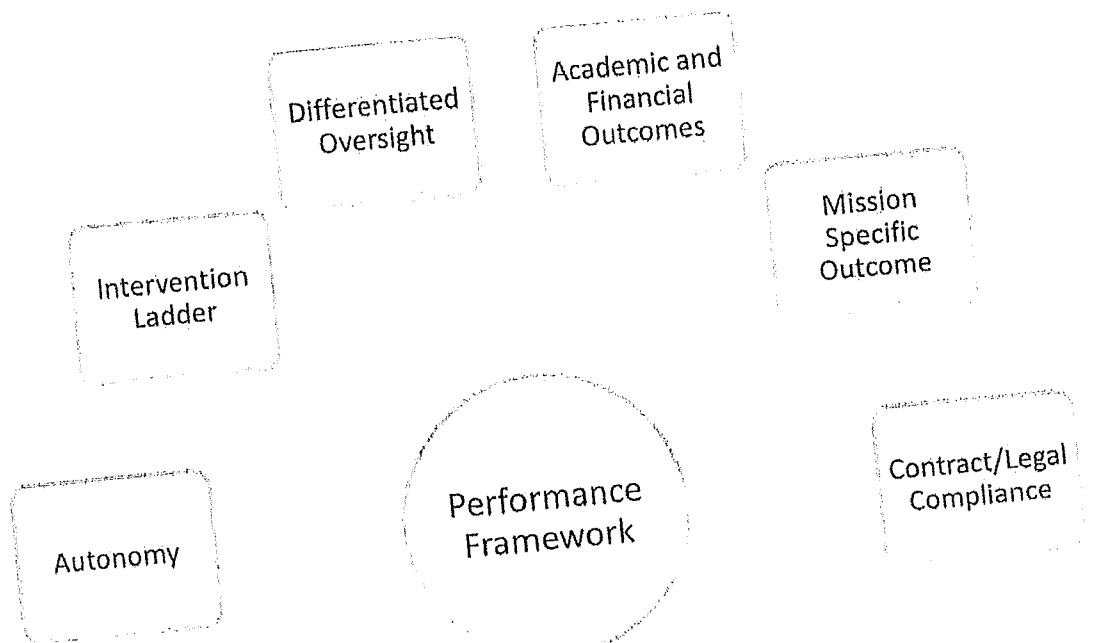
Exhibit A

Charter School Performance Framework

Objective:

To provide charter school boards and leaders with clear expectations, fact-based oversight, and timely feedback while ensuring charter autonomy.

- Clear standards, timely feedback, and maximum transparency
- Objective information for schools, students, and families
- Differentiated oversight including incentives for charter schools designated as quality
- Comprehensive information to guide charter renewal determinations



Section 1: Introduction

This document describes the Charter School Performance Framework, the accountability mechanism for all charter schools sponsored by the State Public Charter School Authority (Authority).

This document provides:

- A conceptual overview of the Charter School Performance Framework (the body of the document); along with
- The specifics regarding Performance Framework implementation, and the academic, financial, organizational and mission specific performance standards.

In addition to establishing performance criteria for charter schools, the Charter School Performance Framework also ensures that the Authority is accountable to charter schools.

The Authority is accountable for implementing a rigorous and fair oversight process that respects the autonomy that is vital to charter school success. This mutual obligation drives the Charter School Performance Framework – a collaborative effort with the common mission of improving and influencing public education in Nevada by sponsoring public charter schools that prepare all students for college and career success and by modeling best practices in charter school sponsorship.

Charter School Performance Framework Authority Obligations

- Clearly communicate standards and expectations to schools;
- Conduct a transparent, consistent, and predictable oversight process;
- Conduct an oversight process that is respectful of schools' autonomy;
- Emphasis on student outcomes rather than compliance and process;
- Provide fact-based feedback to schools and communities indicating where schools stand relative to performance framework standards and expectations.

Section 2: Objective of the Charter School Performance Framework

Through its mission, the Authority has the responsibility to ensure its sponsored schools prepare all students for college and career success and to model best practices in charter school sponsorship.

The Authority acknowledges that charter schools need autonomy in order to develop and apply the policies and educational strategies that maximize their effectiveness.

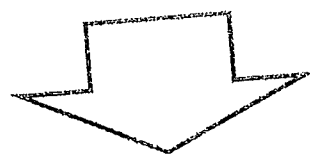
The Charter School Performance Framework balances these two considerations.

The objective of the Charter School Performance Framework is to provide charter school boards and leaders with clear expectations, fact-based oversight, and timely feedback while ensuring charter school autonomy.

In addition to achieving this objective, the Performance Framework should deliver important secondary benefits:

- Incentives for charter schools designated as quality that regularly achieve their academic, financial, organizational, and mission specific performance standards;
- Comprehensive information for data-driven and merit-based charter renewal and contract revocation/termination;
- Differentiated oversight based on each school's performance and maturity;
- Maximum transparency so all stakeholders can understand where charter schools are meeting or exceeding performance standards, and where they are failing to achieve performance standards; and
- Objective information for students and families who want to learn more about the charter schools in their community.

The Performance Framework describes methods that seek the optimal balance between oversight and autonomy, while delivering the secondary benefits important to each targeted stakeholder. The Performance Framework is a dynamic process subject to continuous review and improvement.



Accountability

Autonomy



Section 3: Performance Framework Components

The Performance Framework provides for the evaluation of schools based on their ability to operate as sound, independent entities that successfully serve all students. The Authority has selected components that strike the balance between easy-to-submit documents and data that provide fact-based insight on school performance.

Routine Year Round Submissions

During the year, schools are required to submit a variety of documents to the Authority and the Department of Education. It is vital that this information is submitted by the given due date. These required submissions are often linked to funding allotments or federal reporting requirements. See the Reporting Requirements Manual for greater detail on each requirement and its function.

Academic, Financial, Organizational and Mission Specific Indicators

Academic – Academic achievement determinations for all schools will be based on student progress over time (growth), student achievement (status), and college and career readiness.

Financial – The near term fiscal health of schools is assessed through four measures: 1) Current Ratio; 2) Unrestricted Days Cash on Hand; 3) Enrollment Forecast Accuracy; and 4) Debt Default. The fiscal sustainability of schools is assessed through four different measures: 1) Total Margin; 2) Debt to Asset Ratio; 3) Cash Flow; and 4) Debt Service Coverage Ratio. These measures will be evaluated quarterly and a profile published annually based on each school's audited financial statements.

Organizational – Defines the operational standards to which a charter school should be accountable to its sponsor and the public. It is designed to treat all schools as though they are the same only in terms of meeting minimum legal and ethical requirements.

Mission Specific – The Authority may, upon request of the governing body of a charter school, include additional rigorous, valid and reliable performance indicators that are specific to the mission of the charter school and complementary to the existing framework measures.

Annual Review

The annual review is a process that compiles data from the routine year-round submissions; academic, financial, organizational and mission specific indicators and oversight to provide an evaluation of school performance. In the annual review, each school will receive an academic and financial profile, an organizational overview of compliance, and a review of mission specific indicators

Annual reviews will be provided to charter school boards and school leaders each fall following the release of the State's star ratings. We are committed to clearly communicating information from the annual review to families, schools, and the public. These reviews will also be posted on the Authority website.

Mid-Term Review

The mid-term review is a process that compiles all annual reviews and provides a three year longitudinal evaluation of school performance. The mid-term review includes a site visit to gather qualitative data that complements the quantitative findings. The results of the mid-term review provide stakeholders with a multi-year analysis of school performance and status of the school related to expectations at time of renewal.

Section 4: Performance Framework Process Description

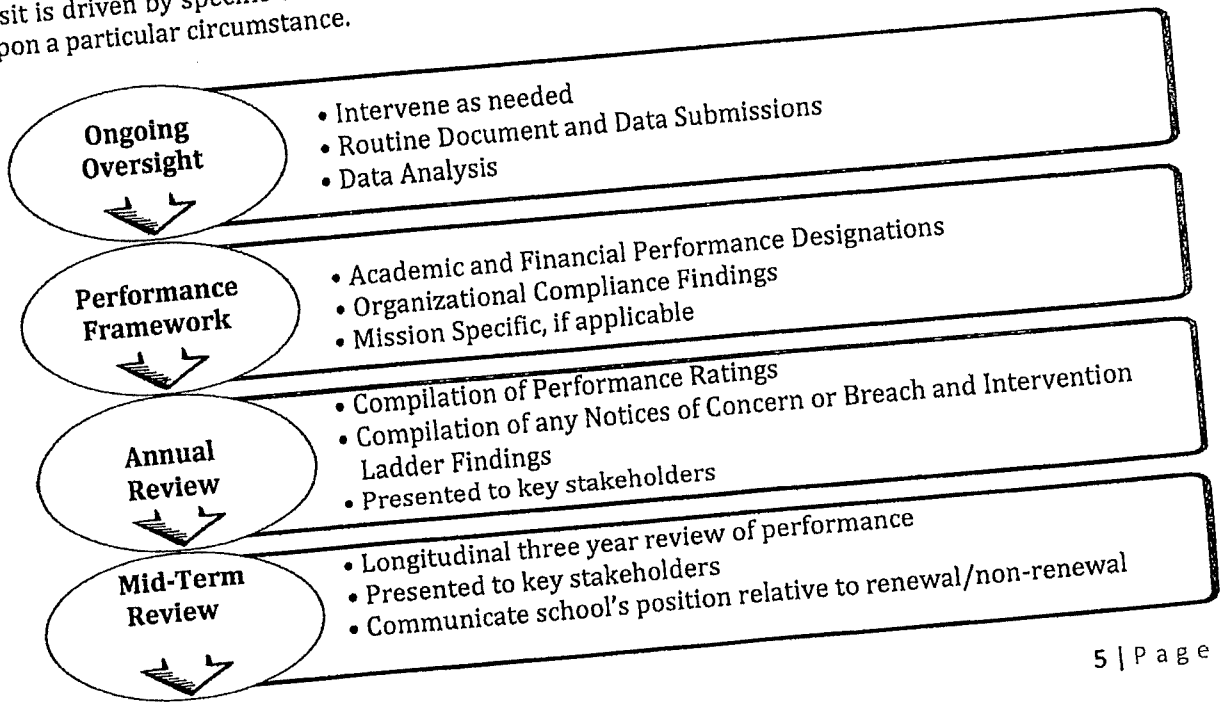
The Authority has studied best practices to develop the Performance Framework process depicted in this flowchart. Throughout the school year, every charter school will submit scheduled documents and data that enable us to assess their compliance with laws and regulations, and their progress in achieving important school milestones.

The routine year round submissions are indicated in the Reporting Requirements Manual.

The Authority believes in conducting its oversight in a manner that is respectful of school autonomy and differentiated based upon charter school performance and maturity. Charter schools with a track record of compliance and performance do not need the same level of oversight as charter schools without such a track record. The Authority's oversight plan includes the opportunity for schools during their first three years of operation, based on compliance and performance, to transition from demonstrated compliance to assumed compliance.

Every charter school will receive an Annual Review and a three year Mid-Term review. The reviews analyze a school's academic, financial, organizational, and mission specific performance along with information collected from the ongoing oversight processes. The parameters of these analyses are indicated in detail in Appendix A, "Detailed Academic Performance Indicator Descriptions", Appendix B, "Detailed Financial Performance Indicator Descriptions", and Appendix C, "Detailed Organizational Performance Indicator Descriptions." The mission specific indicators will be finalized at the beginning of the second school year using the first school year as the baseline.

Site visits afford a sponsor with an opportunity to appreciate a qualitative aspect of the school not directly measured in ways other than observation or personal interaction. The Authority has two types of official site visits: Mid-Term Review and Targeted. The Mid-Term Review site visit is guided by a clear purpose and rubric that complements the quantitative findings. A Targeted site visit is driven by specific circumstances where the frequency and intensity of the visit will depend upon a particular circumstance.



Section 5: Intervention Ladder

Occasionally, the routine Performance Framework process will result in adverse findings. Charter schools may fall out of compliance on important legal or contractual requirements. Academic standards may not be met. Financial sustainability may become an issue. When these situations occur, the Authority may need to intervene.

Level 1: Notice of Concern

A school enters Level 1 upon receiving a Notice of Concern.

All schools begin outside of the intervention ladder and are considered to be in Good Standing. Schools in good standing receive non-intrusive regular oversight and submissions tracking. Schools must meet performance targets and expectations including compliance and maintain open communication with us in exchange for this level of non-intrusive oversight.

Level 2: Notice of Breach

A school enters Level 2 when it fails to comply with a material term or condition of its charter contract.

Schools can enter Level 1 of the intervention ladder if the Authority receives a verified complaint of material concern, or if regular oversight generates significant questions or concerns. We will communicate with school leaders, parents, and any other necessary stakeholders to verify complaints. We will contact the Board president and school leaders to issue a formal Notice of Concern. The Notice of Concern contains specific actions and due dates required to remedy the concern. Upon remedying the concern, the school returns to Good Standing. If the concern is not remedied in the time allotted, the school progresses to Level 2 of the intervention ladder.

Level 3: Intent to Revoke

A school enters Level 3 when it fails to meet its requirements or schedule to remedy a Notice of Breach.

At Level 2, the school is issued a Notice of Breach. The Notice of Breach outlines the actions necessary to cure the breach. A school can enter the ladder at Level 2 if it fails to comply with a material term or condition of its charter contract. Once a Notice of Breach is issued, the Authority monitors the school's implementation of the steps required to cure the breach. Once the school has met the Notice of Breach requirements, they exit from Level 2 and return to Good Standing.

Failure to meet the requirements specified in the Notice of Breach will result in entry to Level 3, charter school revocation/termination review. The review may include additional visits to the school or an in-depth audit to assess financial and organizational health. Schools in Level 3 are at risk of contract revocation/termination. Schools may also progress on the ladder to Level 3 if they receive repeated Notices of Breach in the same school year. Findings from the Intent to Revoke will determine whether a school enters into revocation/termination proceedings or is granted a revised Notice of Breach, returning to Level 2.

In unfortunate cases, data gathered from the Performance Framework process can be used to directly initiate charter school revocation/termination proceedings. The Authority recognizes the severity of this process and will use this right only in the case of persistent shortcomings or a grave incident that threatens the health, safety, or welfare of children.

Section 6: High-Stakes Decisions

The Authority will consider the collective record of a school's academic, financial, organizational and mission specific performance when making high-stakes decisions, though the academic performance will be the most important factor in most decisions.

Contract Renewal

The Performance Framework provides information necessary for merit-based charter renewal decisions. Decisions will be made in accordance with statute and regulation and based on longitudinal information over a school's charter term. Once a school is recommended for renewal and approved by the Authority the school will receive a renewal term length of six years as defined by law.

Performance Expectation

- Academic: Schools seeking renewal must be designated "Adequate" or above on the Authority Academic Framework plus receive a three-star rating or above on the Nevada School Performance Framework in the preceding school year.
- Financial: Schools must be rated as financially sustainable.
- Organization: Schools must be considered compliant with the material terms and conditions of its charter contract.

Streamlined Renewal

Schools designated as quality schools by the Authority may qualify for the streamlined renewal process. Quality schools are schools ranked on the Authority Academic Framework as "Exceeds" or "Exceptional" and on the Nevada School Performance Framework as a four or five-star school.

Contract Termination

The following performance outcomes may be cause for revocation/termination of a school's charter:

- Persistent Underperformance: A school with any combination of "Unsatisfactory" or "Critical" designations on the Authority Framework and two-star or one star ranking on the Nevada School Performance Framework for three consecutive academic reporting cycles.

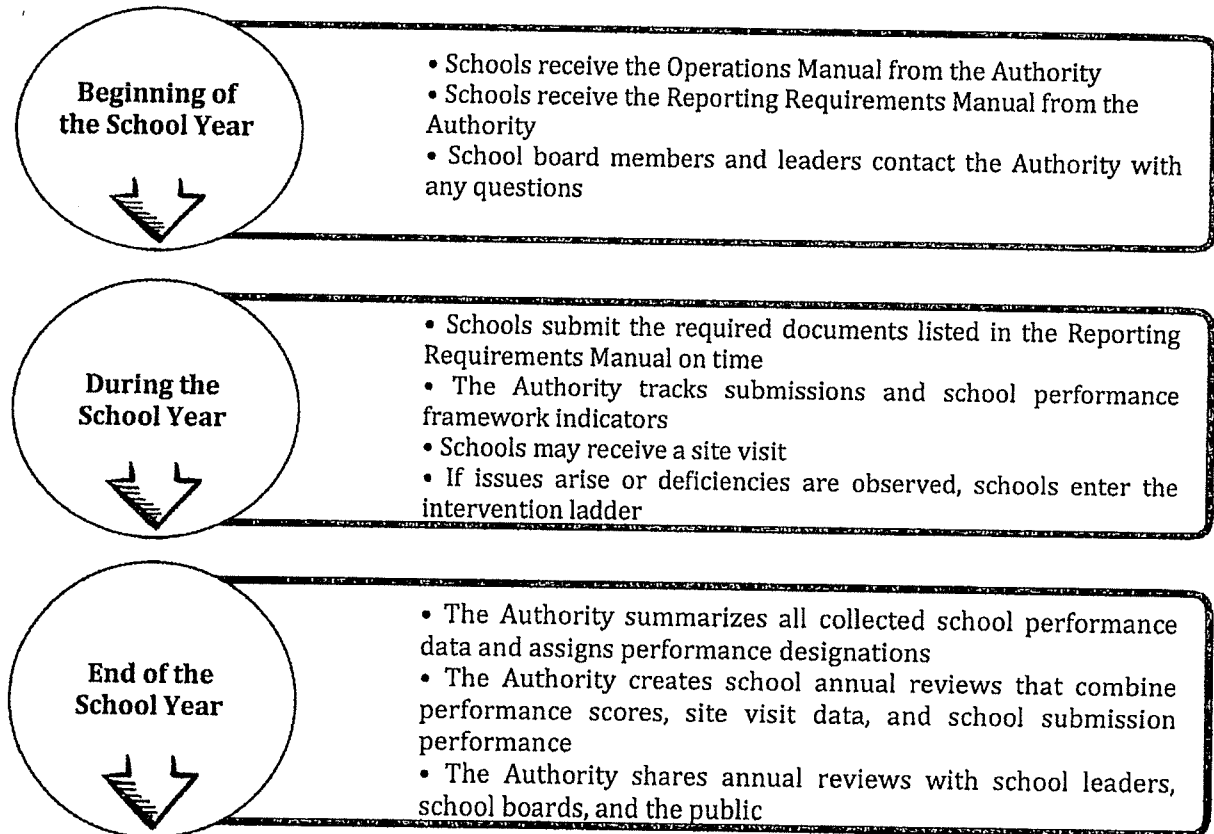
Auto-Termination

As defined by law, starting with the 2013-2014 school year, a charter school must be closed after obtaining three consecutive ratings of one-star on the Nevada School Performance Framework.

Designation	NSPF	Authority	Timeframe
Contract Renewal Expectation	3-stars or above	AND "Adequate" or above	Preceding Year
Quality Contract	4-star or 5-star	AND "Exceptional" or "Exceeds"	Preceding Year
Termination	Any combination of 1-star or 2 star	AND Any combination of "Unsatisfactory" & "Critical"	Three consecutive years
Auto-Termination	1-star		Three consecutive years starting in 2013-2014

Section 7: Performance Framework Timeline

The Performance Framework is implemented according to an annual timeline. The goals of the timeline: a) to set clear expectations for the Authority interaction with schools; while b) standardizing the oversight process.



Schools should contact the Authority at any time for additional support on and information about meeting any of the Performance Framework components.

Appendix A: Detailed Academic Performance Indicator Descriptions

Designations			Points awarded for designation
Quality	Exceptional	EX	97.5
	Exceeds	EC	85.5
Meets Standard	Adequate	AD	62.5
Does Not Meet Standard	Approaches	AP	37.5
	Unsatisfactory	U	15
	Critical	C	2.5
Missing or not applicable			NA

Designations		Minimum score for designation	Maximum score for designation
Quality	EX	95	100
	EC	75	94.9
Meets Standard	AD	50	74.9
Does Not Meet Standard	AP	25	49.9
	U	5	24.9
	C	0	4.9

Elementary

Indicator	Growth	Status	
Weight	60.00%	40.00%	

Middle School

Indicator	Growth	Status	
Weight	60.00%	40.00%	

High School

Indicator	Growth	Status	College & Career Readiness
Weight	40.00%	30.00%	30.00%

2.1 Student Progress Over Time (Growth)

2.1.a Are schools making adequate progress based on the school's Median Student Growth Percentiles in reading?

Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds:	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.1.b Are schools making adequate progress based on the school's Median Student Growth Percentiles in math?

Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds:	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.1.c Are schools making adequate growth based on the percentage of students meeting AGP in reading?

Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds :	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.1.d Are schools making adequate growth based on the percentage of students meeting AGP in math?

Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds:	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.1.e Using Adequate Growth results, are schools meeting AGP in reading when compared with the traditional schools that charter school student would otherwise attend? The difference between the AGP of the charter and the weighted AGP of the traditional school is:

- Exceptional: ≥ 20
- Exceeds: ≥ 10 and < 20
- Adequate: ≥ 0 and < 10
- Approaches: ≥ -10 and < 0
- Unsatisfactory: ≥ -20 and < -10
- Critical: < -20

2.1.f Using Adequate Growth results, are schools meeting AGP in math when compared with the traditional schools that charter school student would otherwise attend? The difference between the AGP of the charter and the weighted AGP of the traditional schools is:

- Exceptional: ≥ 20
- Exceeds: ≥ 10 and < 20
- Adequate: ≥ 0 and < 10
- Approaches: ≥ -10 and < 0
- Unsatisfactory: ≥ -20 and < -10
- Critical: < -20

2.1.g Are students in sub-groups (FRL, ELL, IEP) making adequate growth based on the percentage of students meeting AGP in reading?

- Exceptional: $\geq 95^{\text{th}}$ percentile
- Exceeds: $\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
- Adequate: $\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
- Approaches: $\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
- Unsatisfactory: $\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
- Critical: $< 5^{\text{th}}$ percentile

2.1.h Are students in sub-groups (FRL, ELL, IEP) making adequate growth based on the percentage of students meeting AGP in math?

- Exceptional: $\geq 95^{\text{th}}$ percentile
- Exceeds: $\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
- Adequate: $\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
- Approaches: $\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
- Unsatisfactory: $\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
- Critical: $< 5^{\text{th}}$ percentile

2.2 Student Achievement (Status)

2.2.a Are students achieving proficiency on state examinations in reading?

Exceptional: $\geq 95^{\text{th}}$ percentile

Exceeds: $\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile

Adequate: $\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile

Approaches: $\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile

Unsatisfactory: $\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile

Critical: $< 5^{\text{th}}$ percentile

2.2.b Are students achieving proficiency on state examinations in math?

Exceptional: $\geq 95^{\text{th}}$ percentile

Exceeds: $\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile

Adequate: $\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile

Approaches: $\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile

Unsatisfactory: $\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile

Critical: $< 5^{\text{th}}$ percentile

2.2.c Using proficiency rates, are schools achieving proficiency in reading when compared with the traditional schools that charter school student would otherwise attend? The difference between the proficiency rate of the charter school and the weighted proficiency rate of the traditional schools is:

Exceptional: ≥ 30

Exceeds: ≥ 15 and < 30

Adequate: ≥ 0 and < 15

Approaches: ≥ -15 and < 0

Unsatisfactory: ≥ -30 and < -15

Critical: < -30

2.2.d Using proficiency rates, are schools achieving proficiency in math when compared with the traditional schools that charter school student would otherwise attend? The difference between the proficiency rate of the charter school and the weighted proficiency rate of the traditional schools is:

Exceptional: > 30

Exceeds: ≥ 15 and < 30

Adequate: ≥ 0 and < 15

Approaches: ≥ -15 and < 0

Unsatisfactory: ≥ -30 and < -15

Critical: < -30

2.2.e Are students in sub-groups (FRL, ELL, IEP) achieving proficiency on state examinations in reading?	
Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds:	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.2.f Are students in sub-groups (FRL, ELL, IEP) achieving proficiency on state examinations in math?	
Exceptional:	$\geq 95^{\text{th}}$ percentile
Exceeds:	$\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile
Adequate:	$\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile
Approaches:	$\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile
Unsatisfactory:	$\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile
Critical:	$< 5^{\text{th}}$ percentile

2.3: Career and College Readiness

2.3.a Based on scores obtained from EXPLORE and PLAN, are students making adequate growth for being college ready by the time they graduate?	
Exceptional:	Average growth for all students in Math would be ≥ 3 points Average growth for all students in English would be ≥ 3 points
Exceeds:	Average growth for all students in Math would be ≥ 2.3 points and < 3 points Average growth for all students in English would be ≥ 2.4 and < 3 points
Adequate:	Average growth for all students in Math would be ≥ 2 points and < 2.3 points Average growth for all students in English would be ≥ 2 points and < 2.4 points
Approaches:	Average growth for all students in Math would be ≥ 1.5 points and < 2 points Average growth for all students in English would be ≥ 1.5 points and < 2 points
Unsatisfactory:	Average growth for all students in Math would be ≥ 1 point and < 1.5 points Average growth for all students in English would be ≥ 1 point and < 1.5 points
Critical:	Average growth for all students in Math would be < 1 point Average growth for all students in English would be < 1 point

2.3.b Are students on target for being college ready by the time they graduate as measured by the EXPLORE and PLAN college readiness bench marks in English and Math?

English

Exceptional: $\geq 76\%$

Exceeds $\geq 66\%$ and $< 76\%$

Adequate: $\geq 56\%$ and $< 66\%$

Approaches: $\geq 46\%$ and $< 56\%$

Unsatisfactory: $\geq 36\%$ and $< 46\%$

Critical: $< 36\%$

Math

Exceptional: $\geq 45\%$

Exceeds $\geq 35\%$ and $< 45\%$

Adequate: $\geq 25\%$ and $< 35\%$

Approaches: $\geq 15\%$ and $< 25\%$

Unsatisfactory: $\geq 5\%$ and $< 15\%$

Critical: $< 5\%$

2.3.c Are students graduating from high school?

- Based on a four-year adjusted cohort graduation rate
- Based on a five-year adjusted cohort graduation rate

Exceptional: $\geq 95^{\text{th}}$ percentile

Exceeds: $\geq 75^{\text{th}}$ percentile and $< 95^{\text{th}}$ percentile

Adequate: $\geq 50^{\text{th}}$ percentile and $< 75^{\text{th}}$ percentile

Approaches: $\geq 25^{\text{th}}$ percentile and $< 50^{\text{th}}$ percentile

Unsatisfactory: $\geq 5^{\text{th}}$ percentile and $< 25^{\text{th}}$ percentile

Critical: $< 5^{\text{th}}$ percentile

2.3.d Do students have the content and skill knowledge needed to succeed beyond high school?

Exceptional:

Exceeds:

Adequate:

Approaches:

Unsatisfactory:

Critical:

Appendix B: Detailed Financial Performance Indicator Descriptions

The Financial Performance Framework is composed of both near term and sustainability indicators, each having four measures. It is important to note that the Framework is not designed to evaluate a school's spending decisions. It does not include indicators of strong financial management practices, which are laid out in the organizational performance framework. The Financial Performance Framework analyzes the financial performance of a charter school, not its processes for managing that performance.

Near Term	Indicator
1.a. Current Ratio: Current Assets divided by Current Liabilities	Measure
Meets Standard: <input type="checkbox"/> Current Ratio is greater than 1.1 or <input type="checkbox"/> Current Ratio is between 1.0 and 1.1 and one-year trend is positive (current year ratio is higher than last year's)	Metric
Note: For schools in their first or second year of operation, the current ratio must be greater than 1.1.	Target
Does Not Meet Standard: <input type="checkbox"/> Current Ratio is between 0.9 and 1.1 Or <input type="checkbox"/> Current Ratio is between 1.0 and 1.1 and one-year trend is negative	
Falls Far Below Standard: <input type="checkbox"/> Current ratio is less than 0.9	

Near Term Measures

1) The current ratio depicts the relationship between a school's current assets and current liabilities.

Overview: The current ratio measures a school's ability to pay its obligations over the next twelve months. A current ratio of greater than 1.0 indicates that the school's current assets exceed its current liabilities, thus indicating ability to meet current obligations. A ratio of less than 1.0 indicates that the school does not have sufficient current assets to cover its current liabilities and is not in a satisfactory position to meet its financial obligations over the next 12 months.

Source of Data: Audited balance sheet.

Near Term
Current Assets divided by Current Liabilities
Meets Standard: <input type="checkbox"/> Current Ratio is 1.1 or greater. or <input type="checkbox"/> Current Ratio is between 1.0 and 1.1 and one-year trend is positive. Note: For schools in their first or second year of operation, the current ratio must be greater than 1.1.
Does Not Meet Standard: <input type="checkbox"/> Current Ratio is between 0.9 and .99 Or <input type="checkbox"/> Current Ratio is between 1.0 and 1.1 and one-year trend is negative.
Falls Far Below Standard: <input type="checkbox"/> Current ratio is less than 0.9

2) **The unrestricted days cash on hand ratio indicates how many days a school can pay its operating expenses without another inflow of cash.**

Overview: The unrestricted days cash ratio defines whether or not the school has sufficient cash to meet its day-to-day obligations.

Source of Data: Audited balance sheet and income statement.

Near Term
Unrestricted Cash divided by (Total Expenses/365)
Meets Standard: <input type="checkbox"/> 60 Days Cash or more or <input type="checkbox"/> Between 30 and 60 Days Cash <i>and</i> one-year trend is positive Note: For schools in their first or second year of operation, they must have a minimum of 30 Days Cash.
Does Not Meet Standard: <input type="checkbox"/> Days Cash is between 15 and 29 days Or <input type="checkbox"/> Days Cash is between 30 and 60 days <i>and</i> one-year trend is negative
Falls Far Below Standard: <input type="checkbox"/> Less than 15 Days Cash

3) **Enrollment forecast accuracy tells authorizers whether or not the school is meeting its enrollment projections, thereby generating sufficient revenue to fund ongoing operations.**

Overview: The enrollment forecast accuracy depicts actual versus projected enrollment. A school budgets based on projected enrollment but is funded based on actual enrollment; therefore, a school that fails to meet its enrollment targets may not be able to meet its budgeted expenses.

Source of Data:

- Projected enrollment – Charter school board-approved enrollment budget for the year in question.
- Actual enrollment.

Near Term
Actual Enrollment divided by Enrollment Projection in Board-Approved Budget
Meets Standard: <input type="checkbox"/> Enrollment Forecast Accuracy equals or exceeds 95% in the most recent year <i>and</i> equals or exceeds 95% each of the last three years Note: For schools in their first or second year of operation, Enrollment Forecast Accuracy must be equal to or exceed 95% for each year of operation.
Does Not Meet Standard: <input type="checkbox"/> Enrollment Forecast Accuracy is between 85% and 94% in the most recent year or <input type="checkbox"/> Enrollment Forecast Accuracy is 95% or greater in the most recent year <i>but does not</i> equal or exceed 95% or greater each of the last three years
Falls Far Below Standard: <input type="checkbox"/> Enrollment Forecast Accuracy is less than 85% in the most recent year.

4) **Debt default** indicates if a school is not meeting debt obligations or covenants.

Overview: This metric addresses whether or not a school is meeting its loan covenants and/or is delinquent with its debt service payments.

Source of Data: Notes to the audited financial statements.

Near Term

Meets Standard:

School is not in default of loan covenant(s) and is not delinquent with debt service payments

Does Not Meet Standard:

Not Applicable

Falls Far Below Standard:

School is in default of loan covenant(s) or is delinquent with debt service payments

Sustainability Measures

1) Total margin measures the deficit or surplus a school yields out of its total revenues; in other words, whether or not the school is living within its available resources

Overview: The total margin measures if a school operates at a surplus (more total revenues than expenses) or a deficit (more total expenses than revenues) in a given time period. The aggregated three-year total margin is helpful for measuring the long-term financial stability of the school by smoothing the impact of single-year fluctuations on the single year total margin indicator.

Source of Data: 3 years of audited income statements

Sustainability
Net Surplus divided by Total Revenue
Aggregated Total Margin:
Total 3-Year Net Surplus divided by Total 3-Year Revenues
<p><i>Meets Standard:</i></p> <p><input type="checkbox"/> Aggregated Three-Year Total Margin is positive <i>and</i> the most recent year Total Margin is positive or</p> <p><input type="checkbox"/> Aggregated Three-Year Total Margin is greater than -1.5%, the trend is positive for the last two years, <i>and</i> the most recent year Total Margin is positive</p> <p>Note: For schools in their first or second year of operation, the aggregate Total Margin must be positive.</p>
<p><i>Does Not Meet Standard:</i></p> <p><input type="checkbox"/> Aggregated Three-Year Total Margin is greater than -1.5%, but the trend is negative.</p>
<p><i>Falls Far Below Standard:</i></p> <p><input type="checkbox"/> Aggregated Three-Year Total Margin is less than -1.5% or</p> <p><input type="checkbox"/> Current year Total Margin is less than -10%</p>

2) The debt to asset ratio measures the amount of liabilities a school owes versus the assets they own; the extent to which the school relies on borrowed funds to finance its operations.

Overview: The debt to asset ratio compares the school's liabilities to its assets. Simply put, the ratio demonstrates what a school owes against what it owns. A lower debt to asset ratio generally indicates stronger financial health.

Source of Data: Audited balance sheet

Sustainability
Total Liabilities divided by Total Assets
<p><i>Meets Standard:</i></p> <p><input type="checkbox"/> Debt to Asset Ratio is less than 0.90</p>
<p><i>Does Not Meet Standard:</i></p> <p><input type="checkbox"/> Debt to Asset Ratio is between 0.90 and 1.0</p>
<p><i>Falls Far Below Standard:</i></p> <p><input type="checkbox"/> Debt to Asset Ratio is greater than 1.0</p>

3) The cash flow measure indicates a school's change in cash balance from one period to another.

Overview: Cash flow indicates the trend in the school's cash balance over a period of time. This measure is similar to days cash on hand, but indicates long-term stability versus near-term. Since cash flow fluctuations from year-to-year can have a long-term impact on a school's financial health, this metric assesses both three year cumulative cash flow and annual cash flow.

Source of Data: 4 years of audited balance sheets

Sustainability
Three-Year Cash Flow = (Prior Year 3 Total Cash) – (Year 0 Total Cash)
One-Year Cash Flow = (Prior Year 1 Total Cash) – (Year 0 Total Cash)
Meets Standard:
<input type="checkbox"/> Three-year cumulative cash flow is positive <i>and</i> cash flow is positive each year.
or
<input type="checkbox"/> Three-year cumulative cash flow is positive, cash flow is positive in two of three years, <i>and</i> cash flow in the most recent year is positive.
Note: For schools in their first or second year of operation, they must have positive cash flow.
Does Not Meet Standard:
<input type="checkbox"/> Three-year cumulative cash flow is positive, but the trend is negative.
Falls Far Below Standard:
<input type="checkbox"/> Three year cumulative cash flow is negative.

4) The debt service coverage ratio indicates a school's ability to cover its current year debt obligations.

Overview: This ratio measures whether or not a school can pay the principal and interest due on its debt based on the current year's net income. Depreciation expense is added back to the net income because it is a non-cash transaction and does not actually cost the school money. The interest expense is added back to the net income because it is one of the expenses an entity is trying to pay, which is why it is included in the denominator.

Source of Data:

- Net income: audited income statement
- Depreciation expense: audited cash flow statement
- Interest expense: audited cash flow statement
- Principal and interest obligations: provided from the school

Sustainability
$(\text{Net Income} + \text{Depreciation} + \text{Interest Expense}) / (\text{Principal and Interest Payments})$
Meets Standard:
<input type="checkbox"/> Debt Service Coverage Ratio is equal to or exceeds 1.10
Does Not Meet Standard:
<input type="checkbox"/> Debt Service Coverage Ratio is less than 1.10
Falls Far Below Standard:
<input checked="" type="checkbox"/> Blank

Appendix C: Detailed Organizational Performance Indicator Descriptions

I. Educational Program

1. Essential terms of the charter agreement

- a. The school complies with the essential terms of the education program as stated in the charter.
- b. The school, if intended primarily for at-risk pupils, complies with NRS 386.500 and NAC 386.150(9) regarding serving at-risk pupils.

2. Education requirements

- a. The school complies with NRS 386.550(1)(i) and NRS 389.018(1) by providing instruction in the core academic subjects.
- b. The school complies with NRS 386.550(1)(i) by providing the courses of study required for promotion or graduation.
- c. The school complies with NRS 386.550(1)(f) and NAC 386.350(7) regarding amount of instructional time.
- d. The school complies with NRS 386.583 regarding academic retention requirements.
- e. The school complies with applicable promotion and graduation requirements.
- f. The school complies with applicable statutes and regulations regarding the state's adopted curriculum content standards.
- g. The school complies with NRS 386.550(1)(g) and Chapters 389 of NRS and NAC regarding state assessments and testing practices.
- h. The school complies with all applicable requirements regarding programming and reporting resulting from federal or non-DSA state funding including Title I, Title IIa, and Title III.

3. Students with disabilities

- a. The Charter School assures that it will adopt procedures that align with state and federal requirements in the following areas: [special education].

4. English Language Learner Students

- a. Proper steps for identification of students in need of ELL services.
- b. Appropriate and equitable delivery of services to identified students.

- c. Appropriate accommodations on assessments.
- d. Evaluation of ELLs': English Language Progress and Attainment (Exiting from program-Proficiency), and content Achievement.
- e. Ongoing monitoring of exited students (for 2 years after program exit).
- f. Assess the success of the ELL program and modify it where needed.
- g. Collection and Reporting of Timely and Accurate Data upon Request of the NDE/SPCSA.

II. Financial Management and Oversight

1. Financial Reporting and compliance

- a. The school complies with NAC 387.625, NAC 387.775(5), NAC 387.775(6) and NAC 387.775(9) regarding completion and on-time submission of the annual independent audit and corrective action plans, if applicable.
- b. The school complies with NRS 386.570 regarding all money received must be deposited in a financial institution in this state.
- c. The school complies with NRS 386.550, NAC 387.720 and NAC 387.725 regarding the adoption of a budget.
- d. The governing body of the school complies with NRS 387.303 regarding the annual report of budget.
- e. The governing body of the school complies, in writing, with NRS 386.573 regarding orders for payment of money.
- f. The school has submitted required expenditure reporting to In\$ite (Schoolnomics Consulting Services) required by the Legislative Counsel Bureau as authorized by NRS 218E.625 and NRS 386.605: yes/no.

2. Financial management and oversight

- a. An unqualified audit opinion in an annual independent audit as required by NAC 387.625 and NAC 387.775.
- b. An annual independent audit, as required by NAC 387.625 and NAC 387.775, devoid of significant findings and conditions, material weaknesses, or significant internal control weaknesses.

- c. An annual independent audit, as required by NAC 387.625 and NAC 387.775 that does not include a going concern disclosure in the notes or an explanatory paragraph within the audit report.
- d. The school's governing body has adopted written financial policies.
- e. Internal control consideration as a basis for design of the annual independent audit in conformity with NAC 387.625 and NAC 387.775.
- f. Financial Transaction Testing in conformity with NAC 387.625 and NAC 387.775.

III. **Governance and Reporting**

1. **Governance and reporting**

- a. Board policies adopted by the board and housed in AOIS' Permanent Files, if such policies have been adopted by the board and submitted into AOIS.
- b. NRS 386.520, Board bylaws as approved by the sponsor.
- c. NRS 386.550, Open Meeting Law.
- d. NRS 386.549, Conducting at least quarterly meetings.
- e. NRS 386.549, Salary for meeting attendance.
- f. NRS 386.549, Submission of signed and notarized affidavit for board service.
- g. NRS 386.549, Board composition/required membership.
- h. NAC 387.770(3), Designation of the person responsible for the maintenance of property, equipment and inventory records.
- i. NRS 386.605, Annual report of accountability.
- j. NRS 385.357(6), Plan to improve the achievement of pupils.

2. **Management accountability**

- a. NAC 386.405(5), Evaluation of any EMO with which the school has contracted, per the written performance agreement between the board and the EMO if applicable.
- b. NAC 386.405(6), Provision by the EMO, if applicable, of the financial report.
- c. NAC 386.410(5), Evaluation of the performance of each entity with whom the board has entered into a contract, including the school administrator.

- d. NAC 386.405(4), if applicable, approval of the appointment of key personnel who are directly employed and provided to the school by an EMO.

3. Reporting requirements

- a. The school complies with reporting requirements as described in the AOIS Reporting Requirements Manual including those related to the AOIS Permanent Files.
- b. The school complies with reporting requirements related to an authorizer-imposed corrective action plan or notice of concern, if applicable.

IV. Students and Employees

1. Rights of students

- a. The school's lottery method, maintenance of an enrollment waiting list, and enrollment practices are consistent with guidance provided by the Authority on its website.
- b. The school's enrollment recruiting and advertising comply with the school's charter school application as stated in Required Element A.7.4 and elsewhere.
- c. The school collects, protects and uses student information appropriately.
- d. The school complies with NRS 386.555 regarding the prohibition of support by or affiliation with religion or religious organizations.
- e. The school complies with NRS 386.585 and NRS 392.4655-.4675 regarding school discipline.

2. Attendance goals

- a. The school complies with NAC 386.350 regarding attendance.

3. Staff credentials

- a. The school complies with NRS 386.590 regarding staff credentialing.

4. Employee rights

- a. The school complies with NRS 386.595 regarding employee rights.

5. Background checks

- a. The school complies with NRS 386.588 regarding criminal history of employees.

V. School Environment

1. Facilities and transportation

- a. Have current fire, building, health and asbestos inspection documents and approvals, including the certificate of occupancy, been submitted into AOIS in compliance with NAC 386.170?
- b. The school complies with NAC 386.215 regarding insurance coverage by submitting into AOIS the current Affidavit for Provision of Insurance Coverage.
- c. The school complies with Section C.4 of its charter school application and NRS 392.300-392.410 regarding pupil transportation.

2. Health and safety

- a. The school complies with NRS 389.065 (sex education); NRS 391.207-391.208 (nursing services); NRS 392.420, 392.425, 392.430, 392.435, 392.437, 392.439, 392.443, 392.446, and 392.448 (school health and safety); and NAC 389.2423, 389.2938, 389.381, and 389.455.
- b. The school complies with NRS 392.616 regarding establishment of a crisis and emergency response development committee.
- c. The school complies with NRS 392.624 regarding annual review and update of the NRS 392.620 plan for responding to a crisis or emergency.

3. Information management

- a. The school complies with the Family Educational Rights and Privacy Act (FERPA), the Protection of Pupil Rights Amendment, and the Military Recruiter Provisions of the NCLB Act of 2001.
- b. The school complies with applicable state or federal freedom of information requirements.
- c. The school complies with applicable student record transfer requirements.
- d. The school complies with applicable requirements for the proper and secure maintenance of testing materials.

VI. Additional Obligations

1. Additional obligations

- a. The school and its governing body comply with the terms and conditions of its charter.

- b. The school complies with NAC 386.342 and NAC 387.770 regarding inventory documentation.
- c. The school (applicable only to high schools) complies with NRS 386.550(1)(m) and NAC 386.350(10) regarding notification of accreditation status.
- d. The school complies with NRS 386.550(1)(c) and Section C.2 of its charter school application regarding fees.
- e. The school complies with requirements regarding maintenance of personnel records.
- f. The school complies with NAC 386.345(2) and NRS 332.800 regarding purchasing and prohibition of board member interest in contracts.
- g. The school complies with NRS 392.040 regarding age of enrollment in grades K, 1 and 2.

Exhibit B

NVVA Charter School Contract

Exhibit B

CHARTER SCHOOL CONTRACT

between

State Public Charter School Authority

and

Nevada Virtual Academy

Contents

CHARTER CONTRACT	5
RECITALS	5
Part 1: Continued Operation of the School	7
1.1 Continued Operation	7
1.2 Parties	7
1.3 Term of Charter Contract	7
1.4 General	7
1.5 Charter School Governing Body	7
1.6 Location	9
1.7 Facilities	9
1.8 Charter School Independence	9
Part 2: School Operations	10
2.1 Open Meetings and Public Records	10
2.2 Mission Statement	10
2.3 Age; Grade Range; Number of Students	10
2.4 Non-discrimination	11
2.5 Student Recruitment, Enrollment and Attendance	11
2.6 Tuition, Fees and Volunteer Requirements	12
2.7 School Calendar; Hours of Operation	12
2.8 Student Conduct and Discipline	12
2.9 Service Agreements, Contracts, Facility Lease or Purchase	12
2.10 Contracts with an Educational Management Organization	12
2.11 Employment Matters	13
2.12 Student Health, Welfare and Safety	14
2.13 Transportation	14
Part 3: Educational Program	15
3.1 Design Elements	15
3.2 Curriculum	15
3.3 Student Assessment	15
3.4 Special Education	15
3.5 English Language Learners	16
Part 4: Charter School Finance	16
4.1 Financial Management	16
4.2 Budget	18
4.3 Charter School Funding	18
4.4 Authority Funding	19
Part 5: Insurance and Legal Liabilities	19
5.1 Insurance	19
5.2 Liability	19
Part 6: Transparency and Accountability	19
	2
Nevada Virtual Academy Renewal Contract	'6.28.13

	19
	20
6.1 Charter School Reporting	20
6.2 Additional Reporting	20
6.3 Authority Reporting	20
Part 7: Oversight	20
7.1 Authority	20
7.2 Inspection	21
7.3 Site Visits	21
7.4 Notification	22
7.5 Intervention	22
Part 8: Termination and Default Termination	23
8.1 Termination	23
8.2 Default Termination	23
8.3 Other Remedies	23
Part 9: Closure	23
9.1 Closure	23
Part 10: Dispute Resolution	24
10.1 Dispute Resolution	24
Part 11: School Performance Standards and Review	24
11.1 Performance Standards	25
11.2 Review	25
Part 12: Contract Construction	25
12.1 Entire Charter Contract	25
12.2 Authority	26
12.3 Notice	26
12.4 Waiver	26
12.5 Non-Assignment	26
12.6 Applicable Law	27
12.7 Material Amendments	27
12.8 Non-Material Change - Notification Required	27
12.9 Other Changes-- Determination as Material or Non-Material, Requiring Notification or Not.	27
12.10 Severability	27
12.11 Third Parties	27
12.12 Counterparts; Signatures	27
12.13 Material Breach	28
SIGNATURE PAGE	29
EXHIBIT #1	29
Charter School Performance Framework	30
EXHIBIT #2	30
Articles and Bylaws	30
	3
Nevada Virtual Academy Renewal Contract	6.28.13

EXHIBIT #3	31
Renewal Application	31
EXHIBIT #4	32
Charter Application	32

CHARTER CONTRACT

This agreement constitutes a Charter Contract (the "Charter Contract") executed on this twenty eighth day of June, 2013 by and between the State Public Charter School Authority (the "Authority"), and Nevada Virtual Academy (the "Applicant(s)") (collectively, the "Parties") to establish and operate the Nevada Virtual Academy CHARTER SCHOOL (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 June 29, 2007, the State Board of Education approved the proposed charter application as set forth in Exhibit #4 (initially or as amended, the "Charter Application") and incorporated herein; and

WHEREAS, on July 7, 2007, the Parties have previously entered into an agreement (the "Written Agreement") dated June 29, 2007 for the establishment of the School; and

WHEREAS, on June, 29, 2013, the Parties previous Written Agreement will expire; and

WHEREAS, on June 21, 2013, the Authority approved the renewal application as set forth in Exhibit #3 ("Charter Renewal Application") the terms of which are incorporated by reference herein, subject to conditions outlined in the Authority motion; and

WHEREAS, the Parties' intend that this Charter Contract serve as a performance contract that succeeds and replaces the Written Agreement and 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: Continued Operation of the School

1.1 Continued Operation

- 1.1.1 As authorized by the Nevada Revised Statute (NRS) 386.509, the Authority hereby authorizes the continued 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 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 governing body ("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 shall be six (6) years.
- 1.3.2 This Charter Contract is effective upon execution, and the term of the Charter Contract begins July 1, 2013 and will terminate on June 30, 2019, 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 NRS 386.553.
- 1.4.3 The Charter School and its governing body (the "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 The Charter School is considered a school of the Local Education Agency pursuant to NRS 386.513.

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 and/or 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, and bylaws are set forth in Exhibit #2 (initially or as amended, the "Articles and Bylaws") and incorporated herein by reference. Any modification of the Articles and Bylaws constitutes a material amendment of the 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.
- 1.5.5.2 Composition. The composition of the Charter Board shall at all times be determined by and consistent with the Articles 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 (e.g., 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 or the Articles and 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 of applicable law by December 1, 2013. The Charter Board shall, at all times, comply with the provisions of the Conflicts of Interest Policy. The adopted and approved Conflict of Interest Policy shall be maintained in the Authority's established document library. 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 provide educational services, including delivery of instruction, at the location(s):

8965 South Eastern Avenue, Suite 330
Las Vegas, NV 89123

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 a 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 Pursuant to NRS 386.565, the board of trustees of a local school district in which the Charter School is located 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 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.

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 #4 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 grades K – 12 and numbers in each year of operation under the Charter Contract.
- 2.3.2 The Charter School shall enroll pupils up to a maximum enrollment that is equal to the lessor of 4,446 pupils or the count day enrollment for SY2013-2014. Once the enrollment is determined for SY2013-2014 in the manner stated above, that enrollment number shall be the maximum enrollment for the Charter School under this Charter Contract.
- 2.3.3 The Charter School may make modifications as to 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.
- 2.3.4 Elimination of a grade level that the Charter School was scheduled to serve, expansion to serve grade levels not identified in 2.3.1, and an annual increase/decrease in total enrollment by more than 5% 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.

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, need for special education services, income level, athletic ability, proficiency in the English language or any other ground 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 or need for special education services. In no event may the Charter School limit admission based on race, ethnicity, national origin, gender, disability, income level, athletic ability, 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 – 392.467 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 to ensure 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

- 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 educational management organization (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 of the Charter School 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 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 Charter School, or from conduct committed or alleged to have been committed on the premises of the Charter School or by the Charter School, or from conduct committed by the management, or by its employees, officers, directors, subcontractors, or agents, during the term of this Charter Contract or any renewal thereof. 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 management contract is considered a material amendment of the Charter Contract and Charter School shall not enter into such agreement without written Authority approval.
- 2.10.2.5 The termination or change of an EMO 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.
- 2.11 **Employment Matters**
- 2.11.1 All employees of the Charter School shall be deemed public employees.
- 2.11.2 In general, 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; or 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 #4 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 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.
- 3.2.2 Any modification to the curriculum, either individually or cumulatively, that are of such a nature or degree as to cause the curriculum described within the approved Charter Application to cease to be in operation will be considered a material amendment of the 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.

3.3 Student Assessment

- 3.3.1 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 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 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") recommended 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 Parties.

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 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 as 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 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 annual 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 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 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 weighted count of enrollment of pupils on the last day of the first school month of the school district in which the charter school is located for the school year ("Count Day"). The first school month is the thirty day period beginning on the first day of a school year, so long as that thirty day period includes at least twenty school days.
- 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 the number of pupils enrolled on Count Day.
- 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 for 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, 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 386.550, 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 Authority shall provide Charter School with a Reporting Requirements Manual

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

6.1.2 Authority shall provide 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 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 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 Charter School and may take all reasonable steps necessary to confirm that 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 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 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 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 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 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 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 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.
- 8.1.2 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 the property of the school district or the community in which the Charter School is located.
- 8.1.4 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 three consecutive 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 for any school year before the 2013-2014 school year must not be included in the count of consecutive annual ratings.

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 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 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 of the Authority. The 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 Charter Application, Charter Renewal 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.

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:
8965 South Eastern Avenue Suite 330
Las Vegas, NV 89123

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(6) any 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 as defined in the Operations Manual. An 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 location (change of site and/or adding or deleting sites);
- 12.7.1.2 Changes to the Bylaws and/or Articles of Incorporation;
- 12.7.1.3 Elimination of grade level/Expansion to serve grade levels/Increase or Decrease in total enrollment;
- 12.7.1.4 Changes to the name of the Charter School;
- 12.7.1.5 Proposal to enter into a contract with an Educational Management Organization or termination of a contract with and Educational Management Organization;
- 12.7.1.6 Changes to the Mission Specific indicators; and

- 12.7.1.7 Changes to the curriculum that are of such a nature to cause the curriculum within the Charter Application to cease to be in operation.
- 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(6); 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; and
- 12.8.1.3 Changes in the composition of the Charter Board.
- 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; no 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 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 Board

Please print your name: DON M. CURRY

Date: July 25, 2013


Chair, State Public Charter School Authority

Please print your name: Elisse M Welch

Date: 8.3.2013

EXHIBIT #1

Charter School Performance Framework

EXHIBIT #2

Articles and Bylaws

EXHIBIT #3

Renewal Application

EXHIBIT #4

Charter Application

Exhibit C

June 21, 2013
NSPCSA Board
Meeting Minutes

Exhibit C

NEVADA STATE PUBLIC CHARTER SCHOOL AUTHORITY

June 21, 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:

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

In Carson City:

None

AUTHORITY MEMBERS ABSENT:

None

AUTHORITY STAFF PRESENT:

In Las Vegas:

Traci House, Business Process Analyst II, State Public Charter School Authority
Steve Canavero, Director, State Public Charter School Authority
Katherine Rohrer, Education Program Professional, 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
Brian Flanner, Administrative Services Officer, 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:

Donna Fiery
Caroline McIntosh
Don Curry
Rick Gordon
William Buchovi
Steven Walters
Bill Thornton
Dr. Gus Hill
Ercan Aydogdu
Ryan Reeves
Richard Moreno
Ruth Parker
Heidi Arbuckle
Katie Pellegrino
Elizabeth Dixon
Susan Waters
April Taggart
Orlando Dos Santos
Danny Diamond
Kirby Okuda

In Carson City:

John Hawk
Jennifer Dukek
Rorie Fitzpatrick
Marcia Clevan

CALL TO ORDER; ROLL CALL; PLEDGE OF ALLEGIANCE; APPROVAL OF AGENDA
Chair Conaboy called the meeting to order at 2:00p.m. with attendance as reflected above.

Agenda Item 1 - Public Comment

None

Chair Conaboy called for a motion for a flexible agenda.

Member Mackedon moved for the approval a flexible agenda. Member Abelman seconded. The vote was unanimous.

Agenda Item 2 – Approval of April 16, 2013 SPCSA Board meeting minutes

Chair Conaboy said there were some grammatical edits and would submit those to Director Canavero.

Member Mackedon moved for the approval of the April 16, 2013 SPCSA meeting minutes. Member Abelman seconded. The vote was unanimous.

Agenda Item 5 – Director’s Report

Director Canavero began by discussing the Subsection 7 schools that are currently in the process of fulfilling their pre-opening requirements. Staff has been working with the Subsection 7 charter holders and a few schools already determined they would not be opening for the 2013-2014 school year. The schools that were not planning on opening were American Preparatory Academy and New America Charter School. The rest of the Subsection 7 charter holders were still planning to open in time for the 2013-2014 school years.

Director Canavero described a new staff position at the Authority for an Education Program Professional; this person will handle the Federal programs for the SPCSA. Currently Angela Blair was doing both Special Education and Federal Programs and the workload was too large for one person to handle.

Director Canavero noted that, overall, the first year of the schools using Title I funds worked well. He also said that next year the Title I program would change because some of the schools would be moving away from Targeted Assistance, which is more difficult to work with, to School-Wide dispersal. Member McCord asked if there was any information about the effects of the Sequester, and Brian Flanner explained the Nevada Department of Education was still working to fully assess possible impacts.

Director Canavero described the emergency contract used to hire a lawyer to assist in the development of the Memorandum of Understanding addressing Special Education now that the SPCSA is the Local Education Agency (LEA).

Agenda Item 6 – SPCSA FY14 Budget

Brian Flanner and Katie Higday spoke about the growth of the SPCSA as an agency. Mr. Flanner explained that on July 1, 2013 the SPCSA would completely split from the Nevada Department of Education and become its own stand-alone agency. He said there were challenges in the development and implementation of some new policies that underpin a stand-alone agency, but overall the process had been very smooth. Mr. Flanner commended Ms. Higday’s organizational skills and creative approach to problem-solving. Ms. Higday explained many of the details of the processes that had been implemented to meet the needs of the SPCSA as an agency.

Mr. Flanner explained that the SPCSA’s budget will continue to be unpredictable, because there is no previous fiscal year budget to use as a foundation. He anticipates that there will be numerous presentations to the Interim Finance Committee as the budget is adjusted. He said that the LEA status will precipitate changes in the budget, including the hiring of new staff and training for all staff on new policies and procedures.

Agenda Item 7 – Legislative Update

Chair Conaboy provided a review of important legislation passed during the 2013 session:

AB 205—This bill requires a performance framework for a charter school be incorporated into the charter contract; provides oversight and review of charter school sponsors by the Department of Education; sets forth the grounds for termination of a charter contract, based on rankings earned under the state’s performance framework; and extends enrollment lottery exceptions to all charter schools, not just at-risk schools. The bill contains a trigger for automatic closure of a charter school; the law now requires that if a charter school has a one-star rating in the Nevada School Performance Framework for three consecutive years, the school will be

closed. Director Canavero clarified that the Department of Education is developing a performance framework for alternative schools, which may otherwise receive low ratings in the current star system.

SB 384 – This bill authorizes the Director of the Department of Business and Industry to issue bonds and other obligations to finance the acquisition, construction, improvement, restoration or rehabilitation of property, buildings and facilities for charter schools.

SB 443—This bill requires the Department of Education to adopt regulations prescribing: (1) the process and timeline for review of an application for authorization to sponsor charter schools; (2) the process for the Department to conduct a comprehensive review of sponsors of charter schools approved by the Department at least once every 3 years; and (3) the process for the Department to revoke the authorization of a board of trustees or a college or university to sponsor charter schools.

SB 500 – This bill creates the Task Force on K-12 Public Education Funding to recommend a plan for implementing a funding formula that takes into account the needs of, and the costs to educate, pupils based upon the individual educational needs and demographic characteristics of pupils, including, without limitation, pupils from low-income families, pupils with disabilities and pupils who have limited proficiency in the English language. The director of the Charter School Authority is a member of the task force.

SB 471—This bill became SB 3 in the 2013 special session; it transfers the responsibility to administer the Account for Charter Schools from the Department to the State Public Charter School Authority and revises the maximum total amount of a loan that may be made to a charter school.

Chair Conaboy also added that a number of new committees were formed during the legislative session and she would like to have some charter school individuals represented on those committees. She spoke with the director of the Charter School Association of Nevada to recommend that CSAN nominate individuals so the charter school voice could be heard on these committees during the interim.

Chair Conaboy thanked the board's legislative liaisons, Bob McCord and Nora Luna, for their help during the session and said that she believes that during the session, they had been able to successfully position the SPCSA as the go-to entity regarding charter school policy.

Agenda Item 13 – Discussion and development of policy related to the Director of the State Public Charter School Authority pursuit of other business as described in NRS 386.5115

Chair Conaboy asked that this item be placed on the agenda as a follow-up to the April 16, 2013 SPCSA Board meeting. Director Canavero wanted to ensure that he was consistent with NRS when participating on boards, commissions, or other entities regarding charter schools. If the board or commission was not aligned with the SPCSA then he would take furlough or leave while participating in the outside activities.

Chair Conaboy referenced the "other duties" in NRS and said that taking part in other duties was a part of the director of the SPCSA's job. She said she felt that Director Canavero did not need to take leave or furlough while participating in the outside activities. Member McCord recommend that Director Canavero follow-up with Caren Jenkins at the Nevada Ethics Commission in order to make sure that all applicable statues were being followed.

Agenda Item 10 – Discussion of the SPCSA designation as the Local Education Agency (LEA) for purposes of Special Education

Interim Superintendent Fitzpatrick and Marva Clevan, state Special Education director, spoke to the board about the Local Education Agency status the SPCSA received based on federal recommendations to DOE. Ms. Clevan said that major reason for the change was the bifurcated funding model used by the DOE. Federal suitors indicated that the state could have just one process or formula for awarding special education funds.

By designating the SPCSA as an LEA, Authority schools will be treated the same as the other school districts in the state. Superintendent Fitzpatrick also added that the SPCSA-sponsored charter schools now have access to Title I funding and with that the SPCSA had to be named as the LEA for the purpose of fund distribution.

Chair Conaboy asked how the administration of the Title I funding would function. Ms. Clevan said it would be very similar to how school districts operate, however the allocation can be different because each charter school is its own unique school which differentiates the SPCSA district from a regular school district. Superintendent Fitzpatrick added that it will be the responsibility of the SPCSA to determine the allocations for the Title I funding distribution based upon the needs of each of the charter schools eligible for the funding.

Member Wahl asked if any of the SPCSA-sponsored charter schools are operating early childhood education. Ms. Blair, SPCSA Education Program Professional, said there are some schools that have the early childhood education; however it is mostly special education students who are not yet six years old that are enrolled in kindergarten at the charter school. Ms. Clevan said that the special education funding passing through the SPCSA will create better accountability for special education expenses in the charter schools.

Chair Conaboy asked that Superintendent Fitzpatrick and Ms. Clevan walk the Authority through the changes that would be implemented now that the SPCSA would be the LEA, specifically what responsibilities would be shifted from the Nevada Department of Education to the SPCSA. The answer is that the SPCSA is now responsible to monitor the special education expenses and adherence to other special education requirements at the charter schools. In the past, the NDE would monitor the charter schools yearly. Ms. Fitzpatrick indicated that the Authority needs to determine the distribution formula for allocating Title I funds to each of the charter schools. Ms. Blair said she had already been in contact with the charter schools to begin dialogue on the special education needs of each of the charter schools, which would help in determining what the funding formula would look like.

Chair Conaboy asked Interim Superintendent Fitzpatrick what the liability of the Authority will be now that it has been designated an LEA. Superintendent Fitzpatrick suggested that the Authority develop a Memorandum of Understanding in order to properly clarify the responsibilities of both the SPCSA and the charter schools it sponsors. She said the Authority would have to determine what its liability will be as opposed to the burden that each charter school would carry in the case of a due process filing. Director Canavero indicated that the Authority executed a contract with Paul O'Neill to help with the development of such an MOU.

Member Wahl asked how the funds would be distributed; Director Canavero said that the pot of money the State draws from is fixed and the formula is uniform for all of the school districts across the state. Chair Conaboy asked about the new DSA funding formula that was discussed during the 2013 Legislative session and how it would affect the SPCSA-sponsored schools. Superintendent Fitzpatrick said that she couldn't give exact details because she said she hopes a new funding formula for the state will be developed during the interim. The SPCSA director will sit on the interim Task Force to develop the new formula that will be proposed in 2015. Chair Conaboy closed the discussion by thanking Superintendent Fitzpatrick and her staff at the Nevada Department of Education for working closely with the SPCSA during the 2013 Legislative session.

Agenda Item 8 – Review of Academic Indicators and feedback from school administrator and governing board meetings

Director Canavero began by recalling for the board the approvals of both the Organizational and Financial Performance Frameworks to be included in charter contracts. Dr. Katherine Rohrer, Education Program Professional, then explained the process undertaken in the development of the Academic Performance Framework.

She said over the course of March through May she visited and met with both the administrators and governing boards of all 16 charter schools sponsored by the Authority. Dr. Rohrer said one of the main concerns at each

of the meetings was the performance standards, how they would be determined and how they would be used to measure the school. She stressed at the meetings that the Academic Framework will attempt to capture the uniqueness of each school and take that into account when the ratings were determined. Ms. Rohrer said that the Nevada Department of Education is developing performance measures for alternative schools; the schools she met with still had reservations about whether those new measures would accurately represent their schools. The schools did not want to be standardized into one category as they felt that would take away from their unique missions.

Dr. Rohrer said there was a lot of conversation regarding the comparison measure. She said that Churchill County was unique because it is a non-zoned school district so it was difficult to compare the charter school to the pupils zoned school because anyone can choose any school in the district.

Dr. Rohrer discussed the college and career readiness standards that especially affected the high schools. She said that the issue is what tools are available to the SPCSA to track students after they have graduated college. She said while the SPCSA has access to National Clearinghouse, overall it is limited in its ability to follow students who choose not to attend college, which is a population that is targeted by some of the SPCSA-sponsored schools. She said that since the SPCSA lacks some of these tracking tools, the SPCSA decided in the Academic Framework to measure content skill readiness while at the charter school to help determine the college and career readiness of the student populations.

Approval of the State Public Charter School Authority Performance Framework for implementation in the FY14/SY2013-2014

Director Canavero said that, prior to development of the new performance frameworks; the relationship between the sponsor and the charter schools was very compliance-based. We are now emphasizing academics and operational outcomes. He said the framework is meant to be a performance-based measure for all the charter schools, while maximizing each school's autonomy.

Director Canavero said in addition to establishing performance criteria for charter schools; the Charter School Performance Framework also ensures that the Authority is accountable to charter schools. The Authority is accountable for implementing a rigorous and fair oversight process that respects the autonomy that is vital to charter school success. This mutual obligation drives the Charter School Performance Framework, which is a collaborative effort with the common mission of improving and influencing public education in Nevada by sponsoring public charter schools that prepare all students for college and career success and by modeling best practices in charter school sponsorship.

The Authority acknowledges that charter schools need autonomy in order to develop and apply the policies and educational strategies that maximize their effectiveness. The Charter School Performance Framework balances these two considerations. The objective of the Charter School Performance Framework is to provide charter school boards and leaders with clear expectations, fact-based oversight, and timely feedback while ensuring charter school autonomy. The Performance Framework describes methods that seek the optimal balance between oversight and autonomy; the Framework is a dynamic document subject to continuous review and improvement.

Finally, Director Canavero explained the process that would be used. He said the Authority had studied best practices to develop the Performance Framework process. Throughout the school year, every charter school will submit scheduled documents and data that enable the Authority to assess their compliance with laws and regulations, and their progress in achieving important school milestones. The routine year round submissions are indicated in the Reporting Requirements Manual.

The Authority believes in conducting its oversight in a manner that is respectful of school autonomy and differentiated based upon charter school performance and maturity. Charter schools with a track record of compliance and performance do not need the same level of oversight as charter schools without such a track

record. The Authority's oversight plan includes the opportunity for schools during their first three years of operation, based on compliance and performance, to transition from demonstrated compliance to assumed compliance.

Every charter school will receive an Annual Review and a three year mid-term review. The reviews analyze a school's academic, financial, organizational, and mission specific performance along with information collected from the ongoing oversight processes. The mission specific indicators will be finalized at the beginning of the second school year using the first school year as the baseline. Site visits afford the SPCSA with an opportunity to appreciate a qualitative aspect of the school not directly measured in ways other than observation or personal interaction. The Authority has two types of official site visits: Mid-Term Review and Targeted. The Mid-Term Review site visit is guided by a clear purpose and rubric that complements the quantitative findings. A targeted site visit is driven by specific circumstances where the frequency and intensity of the visit will depend upon a particular circumstance.

Director Canavero discussed how the Authority Board relates to the performance frameworks that have been developed. He explained that contract renewal is a high stakes decision that the Authority has to make. Director Canavero said there are a number of indicators that need to be considered when making that decision, but up until now those indicators had not been well-defined. With the Performance Framework those indicators have been better defined and should aid the Authority when making these high-stakes decisions. He explained the performance expectations that the Authority would need to consider as the renewal decisions were presented. He said the school must be financially sustainable, organizationally sound, and meet performance requirements for academics. Director Canavero said that if the Authority approves these frameworks then the board is approving the standards to which non-renewal and revocation decisions would also be made.

Member McCord asked what would happen if a school that was designated for multiple grade levels were to succeed in some of the grade levels, but fail in some of the other grade levels. Director Canavero said that this is an issue that is still be grappled with because the issue was not considered in the statutes. Director Canavero said more discussion will need to be held with various stakeholders to further clarify this issue when it arises.

Chair Conaboy asked for clarification as to why the organizational framework was less robust than the other two frameworks because the organizational framework measured the charter school's board success. Director Canavero said it was a choice made by staff to have the compliance portion of the framework be a checklist that is more of an ongoing compliance model as opposed to the financial and academic which is an annual compliance check. Director Canavero added that staff had hired an outside consultant to help with governance of the schools and his recommendations were going to be implemented in the frameworks to try to ensure the charter schools boards are active and engaged with the day-to-day education of the school. Member Van asked about the transition forward into the full framework model and how it would affect the charter schools. Director Canavero said that has been a concern that has been kept in mind during the development of the frameworks and the issue had been addressed with the schools.

Member McCord moved for the approval of State Public Charter School Authority Performance Framework for implementation in the FY14/SY2013-2014. Member Abelman seconded. The vote was unanimous.

Agenda Item 14 – Acknowledgement of Service

Director Canavero said three of the members of the Authority were appointed to a one-year term. At the time of the meeting, both Nora Luna and Elissa Wahl had been reappointed to the Authority. Staff was still waiting for more information on Marc Abelman's re-appointment.

Agenda Item 11 – Presentation of the charter contract consistent with statute revised by Assembly Bill 205

NEVADA STATE PUBLIC CHARTER SCHOOL AUTHORITY

Director Canavero explained that with the passage of AB 205, staff worked with various parties, including the charter schools, to develop a charter contract. One of the main goals of the contract was to establish a clear relationship between the sponsor and the charter school and to define the responsibilities both parties have to one another, the state, and the students. Director Canavero said different state's models were used in the development along with input from the National Association of Charter School Authorizers. Director Canavero clarified the contract that was being shown to the Authority would be for schools that were up for renewal and there would be some minor differences between that contract and the contract for new schools that had not opened yet. Discussion focused on various aspects of the contract including: facilities, contract terms and definitions, academic agreements, school growth and enrollment caps, change of EMO, educational strategies, and material and non-material amendments. Chair Conaboy asked if the type of amendment a school requested would determine whether it would need to be heard by the Authority or just approved by SPCSA staff. Director Canavero will research this answer.

Chair Conaboy asked Director Canavero to clarify the dispute resolution language included in the charter contract. Tom McCormack, Education Programs Professional, said the language was not from statute and was language recommended by staff. Chair Conaboy asked if the dispute resolution would be used in cases of a charter denial, revocation, or non-renewal. Deputy Attorney General Shane Chesney said this would not be used in that case, but he did see the point the chair was making. Deputy Attorney General Chesney said the dispute resolution language was a carry-over from the previous charter application and there was some room for clarification moving forward.

Member McCord commented that the contract was stringent. Deputy Attorney General said that the contract tried to incorporate a broad framework and flexibility while not leaving the Authority open to litigation. Member Luna asked if there was an amendment clause that could cover any unique situations that may arise. Director Canavero confirmed the clause and stated that amendments could be proposed by both the sponsor and the charter school.

Agenda Item 12 – Consideration of the application for renewal submitted by Nevada Virtual Academy and recommendation to approve the Nevada Virtual Academy charter

Before the renewal consideration began, Chair Conaboy recused herself from the agenda item due to her work for K12 Inc. Member Wahl chaired the meeting in her absence.

Director Canavero presented the data for renewal of Nevada Virtual Academy, including the following:

- 2011-2012 Nevada School Performance Framework (NSPF)
 - 2 stars for both the Elementary and Middle School—Two star schools fall between the 5th and 24th percentiles of all Nevada public schools.
- Except for their opening year, the K-8 school has not made Adequate Yearly Progress (AYP).
 - 2007-2008 Adequate
 - 2008-2009 Watch
 - 2009-2010 In Need of Improvement, Year 1
 - 2010-2011 In Need of Improvement, Year 2
 - 2011-2012 In Need of Improvement, Year 3
- 2008-2009 is the only year in English language arts (ELA) that the K-8 school met the State's Annual Measurable Objective (AMO).
- Since 2008-2009, the K-8 school has consistently failed to meet the State's AMO in ELA.
- From 2008-2012, the K-8 school has consistently failed to meet the State's AMO in Math.
- For 2011-2012, the percentage of 4th-6th grade students obtaining their Adequate Growth Percentile (AGP) was 51% in reading and 36.8% in math.
 - Using the NSPF attribute tables, this places the school between the 25th and 50th percentiles in reading and between the 5th and 25th percentiles in math.

- For 2011-2012, the percentage of 7-8th grade students obtaining their AGP was 38.6% in reading and 15.4% in math.
 - The NSPF attribute tables place the school between the 25th and 50th percentiles in reading and between the 5th and 25th percentiles in math.
- For 2011-2012, in grades 4-6, the Median Growth Percentile (MGP) for both reading and math are between the 25th and 50th percentiles.
- For 2011-2012, in grades 7-8, the MGP for reading is between the 25th and 50th percentiles and for math the MGP is below the 5th percentile.
- For 2011-2012, in grades 4-6, the percentage of students identified as FRL, IEP, and/or ELL obtaining their AGP in reading was 42.7%, slightly above the 25th percentile. In math, the percentage was 25.7%, below the 5th percentile.
- For 2011-2012, in grades 7-8, the percentage of students identified as FRL, IEP, and/or ELL obtaining their AGP in reading was 32.4%, slightly below the 75th percentile. In math, the percentage was 11.6%, slightly above the 5th percentile.
- Continuous enrollment is below the state's average continuous enrollment. FY 12 percentage of students continuously enrolled was 57.70% compared to 94.5% at the state level. Nevada Virtual's continuous enrollment is also below a virtual school compilation of continuous enrollment percentage of 78.61% for FY 12.
 - Continuous enrollment for years 2008-2012 averaged 59.07%. This means that only a little over half of the student population enrolled on count day was still enrolled when testing begins in March of each school year.
- 2011-2012 Nevada School Performance Framework
 - 1 star—Schools among the lowest 5% of schools within the NSPF form the basis for a one-star rating.
- Adequate Yearly Progress
 - 2009-2010 Watch
 - 2010-2011 High Achieving-Growth
 - 2011-2012 Watch
- Growth increases from FY10 to FY11 earned the high school an AYP designation of High Achieving Growth. However, drops in proficiency rates in FY12, moved the high school back to an AYP Watch designation.
- Overall performance at the high school level is between the 25th and 50th percentile in both reading and math.
- The exception is the MGP in reading which is below the 5th percentile.
- Graduation rates for 2011 and 2012 are between the 25th and 50th percentile.
- Transfer numbers reported by the state indicate 69% of the original 2011 cohort left before graduation and 72% of the original 2012 cohort left before graduation.
- From 2009-2012, proficiency rates in both reading and math are below the State's AMO.
- The percentage of students above the State's AMO is consistently negative in both reading and math.
- Continuous enrollment is below the state's average continuous enrollment. FY12 percentage of students continuously enrolled was 48.90% compared to 94.5% at the state level. NV Virtual's continuous enrollment is also below a virtual school compilation of continuous enrollment percentage of 86.00% for FY 12.
 - Continuous enrollment for years 2009-2012 averaged 54.43%. This means that only a little over half of the student population enrolled on count day was still enrolled when testing begins in March of each school year.

Additional observations:

- With the exception of FY2011, the percentage of core classes without highly qualified teachers from 2007-2012 is higher than the percentage at the state.

- FY 2008, 66.70% versus 15.60%
- FY 2009, 26.30% versus 12.20%
- FY 2010, 12% versus 7.90%
- FY 2012, 13.6% versus 4.30%
- However from 2007-2011, the percentage of courses without highly qualified teachers has consistently dropped.
- As a Title I School, percentage of teachers not highly qualified is a concern.

Citing the persistent academic underperformance in both reading and math; low continuous enrolled percentages; and low graduation rates coupled with a high percentage of students transferring out before graduation, the Authority Staff conclude that Nevada Virtual's academic program has not been a success.

Director Canavero then moved onto the fiscal results of the report: Nevada Virtual Academy's independent audit report annually shows that their financial statements present fairly, in all material respects, the respective financial position, 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.

Near Term Viability and Fiscal Sustainability: Based on the Financial Indicators, Nevada Virtual Academy is marginally fiscally sound in the near term as indicated by their maintenance of barely sufficient liquid assets to pay liabilities that will mature in the next year and the maintenance of adequate cash to pay over one month of operating expenses. Their fiscal sustainability outlook is guardedly positive as evidenced by their annual position of debt in an amount almost exactly equal to their assets, their annual surplus margin equal to virtually zero, balanced by their positive annual cash flow.

In each of the past four fiscal years the Nevada Virtual Academy Governing Board has approved expenditures that exceeded total revenues resulting in a deficit at the conclusion of each fiscal year. The annual "accommodation credit" issued by Nevada Virtual Academy's Educational Management Organization (i.e., K12, Inc.) to erase the annual deficit is troubling. Absent that "accommodation credit," which the EMO is not required to issue, Nevada Virtual Academy would quickly become insolvent.

Accommodation credits received to date

FY08 - \$ 360,905

FY09 - \$1,219,634

FY10 - \$ 730,574

FY11 - \$2,290,042

FY12 - \$3,362,681

Total - \$7,963,836

Concern: Fiscal Accountability

The FY13 Annual Performance Audit (APA) performed by the Authority included a follow-up on the implementation of school based systems to resolve prior (APA) findings. The Authority found Nevada Virtual non-compliant on a matter the Authority deemed to be material (i.e., significant). As evidenced by deficit spending of almost \$8 million between fiscal years 2008 and 2012, the school is not financially sound. It is the Governing Board's statutory responsibility to maintain fiduciary accountability of their organization and spend within budgeted resources. Absent the in-kind contribution of almost \$8 million by the EMO with which it contracts, Nevada Virtual Academy would cease to be a going concern and would be forced to halt operations and liquidate its assets – displacing thousands of Nevada students.

Director Canavero then reported on Nevada Virtual's Organizational compliance.
Longitudinal Analysis of the Annual Performance Audit for Nevada Virtual Academy 2007-2012: Identification of Significant and/or Repeat Findings 16, 19, 2, 25, 23, 7, 10, 28, below, are subsections of NAC 386.410.

16. 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.

During the 2008-2009 Nevada Virtual Special Education Compliance monitoring, there were findings made in technical and procedural processes. During the 2009-2010 school year, Nevada Virtual was on a Corrective Action Plan (CAP). They made all necessary corrections with their IEP's and their CAP plan was completed by the end of that school year. Nevada Virtual will have their IEP's monitored by NDE in May 2013, as part of DOE's monitoring rotation cycle for the state. Nevada Virtual has had no complaint reports filed with NDE for the years 2009 – 2013. Nevada Virtual turns in all required reports on time and they are complete and compliant. Nevada Virtual has had one due process hearing with NDE in August 2011. The school prevailed on all 7 issues brought forward by the Petitioner (parents).

19. 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.

As a Title I designated school, all teachers will have to be Highly Qualified or on a plan to meet the federal definition of Highly Qualified.

23. If the charter school provides instruction to pupils enrolled in kindergarten, first grade or second grade, a determination whether the charter school complies with NRS 392.040 regarding the ages for enrollment in those grades.

- Noncompliant for 2009-2010 and 2011-2012.

25. A determination whether the charter school provides written notice to the parents and legal guardians of pupils enrolled in grades 9 to 12, inclusive, whether the charter school is accredited by the Commission on Schools of the Northwest Accreditation Commission.

- Noncompliant for 2008-2009 and 2009-2010.

28. A determination whether the written inventory of equipment, supplies and textbooks that is maintained by the charter school pursuant to NAC 386.342 is current and accurate.

- Noncompliant for 2010-2011 and 2011-2012.

2. 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 2008-2009, 2010-2011, and 2011-2012.

Authority Staff await Nevada Virtual's response to requests for updated submissions related to compliance reporting for the Governing Body (e.g., affidavits and resumes, and corrected Board Roster) and revisions to the school's bylaws.

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

- Noncompliant for 2010-2011 and 2011-2012

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

- Noncompliant for 2011-2012.

Director Canavero then finished his report with the final recommendation:

Authority Staff believe there are two options to consider. Option 1: non-renewal of the school's written charter. Option 2: renew the written charter. Authority Staff recommend that the Authority Board consider renewal of Nevada Virtual Academy's written charter with the following provisions:

1. Make clear that this hearing serves as formal notice to Nevada Virtual Academy that the school's academic and financial performance are below the Authority's expectation;
2. The Charter Contract resulting from renewal of the charter shall include the following provisions specific to Nevada Virtual Academy;
 - a. The Governing Body must operate at all times within available revenues with no future credit accommodations from its chosen EMO; and
 - b. In consideration of the academic performance, a cap shall be placed upon Nevada Virtual's student enrollment that is equal to the lesser of the audited actuals from Count Day 2013 or the pupil count at Count Day 2014. The cap shall be a material term and condition within the Charter Contract.
3. Direct Authority Staff to conduct a high stakes review of Nevada Virtual's performance, against the Authority's expectations, and report findings and recommendations to the Authority Board that may include contract termination due to persistent underperformance or material breach of the terms and conditions of the charter contract, or a return to good standing. The review and recommendation(s) shall be presented to the Authority Board in Fall 2015, at which point Nevada Virtual must demonstrate substantial progress towards meeting the Authority's academic performance expectations.
 - a. Substantial progress will be based on the school's aggregate academic performance based on the Authority's academic indicators that will result in closing the gap between baseline (SY12/13) performance and "Adequate", as described in the performance framework within three years.

It is important to note that the presence of the high stakes review does not interfere with the Authority's ability to take action prior to Fall 2015.

Once Director Canavero was finished with the presentation the Nevada Virtual Academy's Board and Administrator were asked questions by the Authority. Don Curry, Nevada Virtual Board President, began by saying the NVVA board agrees that the results identified that had been found during the renewal process are not acceptable. He said the school had implemented some measures to remedy the poor academic results, including replacing the head of schools, better fiscal accountability, and slowing down the enrollment expansion that had been going on since the school was opened. Donna Fiery spoke about the finances of Nevada Virtual Academy, specifically the accommodation credit that was questioned by the Authority. Member McCord asked Ms. Fiery about the audit report and why it did not include the credit memo. She said this is because the liability was with K12 Inc. and not with Nevada Virtual Academy. Ms. Fiery said that K12 Inc. guarantees that the school will operate at a break-even level and that is why the credit accommodation was made. Member Wahl asked why a budget was approved that would put the school in debt each year and Ms. Fiery said the budget can change with changes in enrollment or other unexpected expenses. Member Wahl asked Mr. Flanner if other charter schools in Nevada had this type of credit accommodation and he said this situation was unique to Nevada Virtual Academy.

Representatives of Nevada Virtual Academy then presented to the Authority. Mr. Curry introduced Rick Gordon, William Buchovi, and Steven Walters as the board representatives of Nevada Virtual Academy. Mr. Curry discussed the growth that Nevada Virtual Academy had undergone over the course of its first six years in operation. He said that over the course of the six years the Nevada Virtual Academy board spent much of its time dealing with compliance issues and not enough time on academic results. Most of the time by the board was spent managing the astronomical growth of the school. He said the school also conducted an external review to give the school direction. Mr. Curry explained that the head of the school had been replaced and a new administrator, Caroline McIntosh, had been brought in to help the school turn around academically. Ms. McIntosh then spoke about the programmatic and academic improvements that the school had begun to undertake.

Ms. McIntosh said one of her main goals was to ensure all pupils enrolled in Nevada Virtual Academy would be both college and career ready. The school was also working with the Nevada System of Higher Education to develop a Memorandum of Understanding with the higher education institutes across the state. She said during the 2012-2013 school year the school was a Targeted Assistance Free and Reduced lunch school and the school has one of the highest Free and Reduced Lunch populations of any school in the state. She said the graduation rate was low at Nevada Virtual Academy because 60 percent of the 12th grade pupils who enroll at Nevada Virtual are credit deficient, which greatly affects the rate the graduation rate the school has. Ms. McIntosh said the school planned on having face-to-face meetings with families enrolling at Nevada Virtual Academy in order to fully explain the virtual environment to the student and the parents in order to determine if that model will be successful for that student. She then introduced Dr. Bill Thornton and Dr. Gus Hill who performed the external evaluation of Nevada Virtual Academy.

Dr. Hill and Dr. Thornton were hired by Nevada Virtual Academy to perform an external review of the school's curriculum and performance metrics. They started by giving an overview of the review they performed. The final report was not available but they gave highlights of the report they were going to present to Nevada Virtual Academy. They interviewed parents, teachers, students, and faculty during the course of their review. Dr. Hill said there were many positive things they found during their review including: parents' excitement for Nevada Virtual's environment, parents didn't mind that the school was designated as one star, the faculty was very engaged with the curriculum and are eager to start improving student achievement instead of growth, Nevada Virtual is moving from a school of last resort to being more selective with their enrollments, and there is movement to data-based decision making.

Dr. Thornton then explained the results of the interviews they conducted. They found that if you build the proper environment at a site then that site has the capacity to learn from its failures. He listed key observations: the new leadership at the school illustrates the desire for team learning, the organization has a vision of student achievement, professional development is now focusing on the mastering of teaching content instead of managing growth, and Nevada Virtual is moving to a systems-based teaching model that focuses on helping each student achieve. He finished by saying that if Nevada Virtual works on these observations, then the school will develop the ability to learn from their mistakes.

Member Abelman asked who funded the curriculum audit and Dr. Hill said the school had paid. Member Mackedon asked how many people were interviewed during the review and they said 12 parents, 15 faculty members and did not know exactly how many students. Member Wahl said that while no one is happy with the results of the school thus far, they were cognizant of the fact there was miscommunications during the course of the charter term. Mr. Curry agreed that the board of Nevada Virtual was not happy either with the report that had been received from the State Public Charter School Authority. He said that during the first six years the school was too focused on the growth, but that focus caused achievement to become secondary. Member Wahl and Member Van recommended that the board of Nevada Virtual Academy really follow-up on the changes they said they are making. Member Wahl said that if these changes are not made then the school would not have the chance to be renewed again in the future. Member Luna asked if there had been any changes to the composition of the board of the school. Mr. Curry said there had not been changes made to the board of Nevada Virtual Academy.

Kirby Okuda, Registrar, then explained the enrollment process for Nevada Virtual Academy at the request of Member McCord. Member Mackedon asked what happened to the old head of school. Ms. McIntosh said he had received a promotion and was now the deputy director of the western region for K12 Inc.

Ms. McIntosh gave further explanation regarding the discussion between the Authority and the Nevada Virtual Academy board. She said the curriculum audit had been recommended by SPCSA staff. She said she recognizes that the school has data problems and that would be a major concern of hers moving forward. She

said she was recommending the school hire a data analyst. Ms. McIntosh thanked the SPCSA staff for the assistance they had provided during Nevada Virtual's renewal process. Ms. McIntosh also added that she believes that it is the school's responsibility to ensure they are providing a rigorous curriculum that will challenge students and help prepare them for college or a career. She was concerned with Nevada Virtual's graduation rate recovery because of the short time period that had been allotted. She said the fiscal and organizational aspects would be much easier to fix than the academic aspects.

At the end of the discussion Member Wahl called for a motion.

Member Van moved for the approval of the application for renewal submitted by Nevada Virtual Academy with an enrollment cap of 5%. Member Abelman seconded. The vote was 4 – 2 for approval of the application for renewal, with Member Mackedon and Member McCord voting no.

Agenda Item 15 – Member Comment

None

Agenda Item 16 – Public Comment

John Hawk, Charter School Association of Nevada, spoke about the CSAN conference that had been recently held in Reno. He thanked Member Mackedon, Member Abelman, and Chair Conaboy for attending the conference. He also notified the Authority that he would be term-limited in January and would be replaced as the president of CSAN.

Member McCord moved for the adjournment. Member Van seconded. The motion carried unanimously.

The meeting adjourned at 5:22 p.m.

Exhibit D

September 16, 2013
Notice of Concern

Exhibit D

BRIAN SANDOVAL
Governor

STATE OF NEVADA

STEVE CANAVERO
Director



STATE PUBLIC CHARTER SCHOOL AUTHORITY

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

NV Virtual Academy
8965 S. Eastern Ave., Suite 330
Las Vegas, NV 89123

September 16, 2013

Dear Mr. Curry:

This is NV Virtual Academy's first Notice of Concern due to academic underperformance on the 2012-2013 Authority Academic Framework (Unsatisfactory), and Nevada School Performance Framework (Elementary School Rating—2-Stars, Middle School Rating—2-Stars, High School Rating—2-Stars).

In June 2013, the State Public Charter School Authority Board adopted a Performance Framework, which provides charter school boards and leaders with clear expectations, fact-based oversight, and timely feedback while ensuring charter autonomy. Pursuant to NRS 386.527, the Performance Framework is required to be incorporated into a Charter Contract. Within the Performance Framework, the following performance outcomes may be cause for revocation/termination of a school's charter:

Persistent Underperformance which is defined as a school with any combination of "Unsatisfactory" or "Critical" designations on the Authority Framework and a two-star or one-star ranking on the Nevada School Performance Framework for three consecutive academic reporting cycles.

Schools that have not yet executed with the State Public Charter School Authority an NRS 386.527 Charter Contract instead have a NAC 386.050 Written Charter which includes a written agreement signed by representatives of both the school and the school's sponsor. Within the written agreement "the Charter School agrees to report...on a regular basis the academic progress of the Charter School in meeting standards of achievement...in addition to any goals and description of how achievement of those goals will be measured that were approved in the Charter School application, or any subsequent

(AS IF THAN 1600)

amendment, all provisions of NRS 385.3455 through NRS 385.391 (Statewide System of Accountability)

construed as replacing, overriding, or taking precedence over NRS 385.3455 through NRS 385.391."

As defined by the Performance Framework, all schools begin outside of the intervention ladder and are considered to be In Good Standing. Schools in Good Standing receive non-intrusive regular oversight and submissions tracking. Schools must meet performance targets and expectations including compliance and maintain open communication with us in exchange for this level of non-intrusive oversight.

Schools can enter Level 1 of the intervention ladder if the Authority receives a verified complaint of material concern or if regular oversight generates significant questions or concerns. NV Virtual Academy's academic performance for the 2012-2013 school year has generated significant concern and has moved NV Virtual Academy into level one of the intervention ladder. *(THIS IS WHY OLD (LAWYER WAS IN) OFFICE)*

To return to Good Standing, NV Virtual Academy must obtain a designation of "Approaches" or above on the Authority Academic Framework plus receive a three-star rating or above on the Nevada School Performance Framework for the 2013-2014 school year. If the concern is not remedied in the time allotted, NV Virtual Academy will enter Level 2, a Notice of Breach. Failure to meet the requirements specified in the Notice of Breach will result in entry to Level 3, Intent to revoke for Persistent Underperformance.

The State Public Charter School Authority is requesting to be added to the October 29, 2013 agenda in order to present this information. This date was pulled from the board calendar submitted in AOIS; if this is not correct, please contact the State Public Charter School Authority with an accurate date.

State Public Charter School Authority believes strongly in a quality public school of choice for every Nevada child, and we hope that NV Virtual Academy will join us in increasing the number of State Public Charter School Authority-sponsored quality charter schools by improving NV Virtual Academy's academic performance in the 2013-2014 school year.

Sincerely,



Steve Canavero, Ph.D.
Director
State Public Charter School Authority
1749 N. Stewart St., Suite 40
Carson City, NV 89701

CC: Caroline McIntosh
SPCSA Board Members
NV Virtual Academy Board Members

Exhibit E

December 15, 2014
Notice of Breach

Exhibit E

BRIAN SANDOVAL
Governor

STATE OF NEVADA

PATRICK GAVIN
Director



STATE PUBLIC CHARTER SCHOOL AUTHORITY

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

NV Virtual Academy
8965 S. Eastern Ave., Suite 330
Las Vegas, NV 89123

December 15, 2014

Dear Mr. Curry:

This is NV Virtual Academy's first Notice of Breach due to academic underperformance on the 2013-2014 Authority Academic Framework (Approaches), and Nevada School Performance Framework (Elementary School Rating—2-Stars, Middle School Rating—3-Stars, High School Rating—2-Stars).

In June 2013, the State Public Charter School Authority Board adopted a Performance Framework, which provides charter school boards and leaders with clear expectations, fact-based oversight, and timely feedback while ensuring charter autonomy. Pursuant to NRS 386.527, the Performance Framework is required to be incorporated into a Charter Contract. Within the Performance Framework, the following performance outcomes may be cause for revocation/termination of a school's charter:

Persistent Underperformance which is defined as a school with any combination of "Unsatisfactory" or "Critical" designations on the Authority Framework and a two-star or one-star ranking on the Nevada School Performance Framework for three consecutive academic reporting cycles.

Schools that have not yet executed with the State Public Charter School Authority an NRS 386.527 Charter Contract instead have a NAC 386.050 Written Charter which includes a written agreement signed by representatives of both the school and the school's sponsor. Within the written agreement "the Charter School agrees to report...on a regular basis the academic progress of the Charter School in meeting standards of achievement...In addition to any goals and description of how achievement of those goals will be measured that were approved in the Charter School application, or any subsequent

amendment, all provisions of NRS 385.3455 through NRS 385.391 (Statewide System of Accountability) apply to the Charter School. Nothing in the [approved] application ...or this Agreement is to be construed as replacing, overriding, or taking precedence over NRS 385.3455 through NRS 385.391."

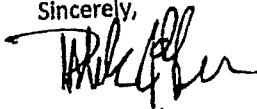
As defined by the Performance Framework, all schools begin outside of the intervention ladder and are considered to be in Good Standing. Schools in Good Standing receive non-intrusive regular oversight and submissions tracking. Schools must meet performance targets and expectations including compliance and maintain open communication with us in exchange for this level of non-intrusive oversight.

Schools can enter Level 2 of the intervention ladder for failure to comply with the specific actions and due dates required by the Notice of Concern. NV Virtual Academy's academic performance for the 2013-2014 school year has generated significant concern and has moved NV Virtual Academy into level two of the intervention ladder.

To return to Good Standing, NV Virtual Academy must obtain a designation of "Approaches" or above on the Authority Academic Framework plus receive a three-star rating or above on the Nevada School Performance Framework for the 2014-2015 school year. If the concern is not remedied in the time allotted, NV Virtual Academy will enter Level 3, Intent to Revoke. Failure to meet the requirements specified in the Intent to Revoke may result in revocation/termination proceedings or may be granted a revised Notice of Breach, returning to level 2.

State Public Charter School Authority believes strongly in a quality public school of choice for every Nevada child, and we hope that NV Virtual Academy will join us in increasing the number of State Public Charter School Authority-sponsored quality charter schools by improving NV Virtual Academy's academic performance in the 2014-2015 school year.

Sincerely,



Patrick Gavin

Director

State Public Charter School Authority

1749 N. Stewart St., Suite 40

Carson City, NV 89701

CC: Caroline McIntosh
SPCSA Board Members

EXHIBIT 2

BRIAN SANDOVAL
Governor

STATE OF NEVADA

PATRICK GAVIN
Director



STATE PUBLIC CHARTER SCHOOL AUTHORITY

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

August 13, 2015

VIA FIRST CLASS MAIL & EMAIL

Ms. Kara Hendricks
Greenberg Traurig, LLP
3773 Howard Hughes Parkway, Suite 400 North
Las Vegas, Nevada 89169
hendricksk@gtlaw.com

***Re: Nevada Virtual Academy Concerns Regarding Premature
Placement on Charter Authority Intervention Ladder***

Dear Ms. Hendricks,

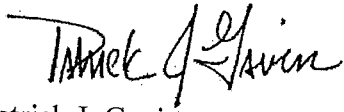
I write in response to your July 20, 2015 letter on behalf of Nevada Virtual Academy, which was submitted pursuant to Section 10.1.1 of the charter contract.

Based on consultation with counsel, the Authority's position on this matter remains unchanged. Pursuant to AB205 of the 2013 legislative session, the charter contract, and the performance framework, the SPCSA's issuance of the 2013 Notice of Concern and the 2014 Notice of Breach lie well within the agency's statutory authority. Moreover, these actions were mandated by the Authority's statutory responsibilities.

Pursuant to Section 10.1.1 of the charter contract, the school has an opportunity to appeal this decision. Due to the presence a previously disclosed conflict of interest, an appeal to the Board Chair of the SPCSA is likely to result in the Chair recusing herself from reviewing this complaint. In lieu of a review by the Board Chair, the Authority instead proposes that this matter be reviewed by the Board's current Vice Chair, Elissa Wahl.

Per the charter contract, the reviewer has fifteen calendar days from the receipt of your appeal request to render a decision. There is also an opportunity for the school to appeal the decision of the reviewer to the Board of the SPCSA at the next regularly scheduled board meeting. Pursuant to the terms of the charter contract, any decision by the SPCSA regarding this dispute is final.

Sincerely,

A handwritten signature in black ink that reads "Patrick J. Gavin". The signature is written in a cursive style with a large initial "P" and a long horizontal stroke extending to the left.

Patrick J. Gavin
Director
State Public Charter School Authority

Exhibit 31

Exhibit 31



4801 S. Sandhill Rd.
Las Vegas, Nevada 89121
Phone: 702-407-1825
Fax: 702-407-5055
K12.com/NVVA

September 1, 2017

VIA FIRST-CLASS MAIL & EMAIL

Mr. Patrick Gavin
Director, Nevada State Public Charter School Authority
1749 North Stewart Street, Suite 40
Carson City, NV 89706-2543
pgavin@spsca.nv.gov

Re: Nevada Virtual Academy ("NVVA") Notice of Concern

Dear Mr. Gavin:

I am in receipt of the Notice of Concern sent to NVVA on July 14, 2017 "due to financial under performance as tracked in the 2015-2016 Authority Performance Framework" and write to address several issues raised therein and to apprise you of the efforts of NVVA's Board to ensure the school's financial health and sustainability.

As a preliminary matter, we believe there was a clerical error in the projected enrollment numbers utilized by the Authority in evaluating forecast accuracy. Indeed, it is our understanding that the Authority's calculations in this regard were based on projected enrollment for the 2015-2016 school year of 2,792 students. However, as evidenced on the budgets NVVA submitted, the projected enrollment was actually 2,729. This 63 student differences alters the percentage calculation by more than 2%.

NVVA is cognizant of the fact that even with the revised calculations, there is a need for further improvement in enrollment forecast accuracy and is working to improve the same.

The Letter of Concern also identified an issue with the Total Margin and Cash Flow measures of the school. However, it is important to note that NVVA is currently operating with cash on hand and has never been in a position where it was required to take a loan or go into debt. Notably, NVVA had generated surplus funds from prior periods to negate and cover such deficits. Moreover, the NVVA Board has taken steps to create an action plan and budget that has a trajectory of a surplus and positive cash flow. Indeed, NVVA expects that it will have a surplus balance of over \$700,000 by June of 2018. NVVA also is expecting to generate a surplus and positive cash flow for FY 19.

NVVA has taken steps to address the Authority's concerns. Notably, a certified public accountant with prior experience with school boards was recently added as a NVVA Board member and now leads the school's Audit Committee. Additionally, NVVA's Board looks at its



4801 S. Sandhill Rd.
Las Vegas, Nevada 89121
Phone: 702-407-1825
Fax: 702-407-5055

K12.com/NVVA

budget on a monthly basis and makes adjustments as needed. Importantly, because of the nature of the online and blended learning opportunities offered by NVVA, the Board is able to react quickly to address budgeting issues. Moreover, a number of budgeted items including but not limited to the amount NVVA pays its management company for administrative, management and technology services, instructional materials costs, on-line curriculum costs, and computer costs, incurred by the school are tied specifically to the number of students enrolled in the school as well as revenue generated from the attendance of such students. As such, if enrollment targets are not met, there are corresponding reductions in monthly expenses.

NVVA's Board is committed to the financial sustainability of the school. We believe the data points identified by the Authority cannot be considered in a vacuum and there is a bigger story to tell that demonstrates the school is not trending towards financial difficulty and rather is positioned in a way that should give the Authority confidence in the school's financial viability. I would welcome the opportunity to meet with you and/or Brian Scroggins to further discuss these issues and/or any concerns that the Authority may have. Please let us know of your availability for such a meeting.

Very truly yours,

Anne Mendenhall
NVVA Board President

cc: Brian Scroggins
Yolanda Hamilton

Exhibit 32

Exhibit 32

2018-02-21

Hi Ms. Kelly, my name is _____, my child is a 10th grade student there. I was just calling to get an update on the Charter School Authority meeting on Friday. I was there, I didn't stay until the end, and I just really wanted an update to see what was going on. If you would, please return my call at area code 601-***-****, my- the student's name is _____, 10th grade. Thank you.

Exhibit I-2

Exhibit I-2

2018-02-21

Hi Ms. Kelly this is _____ graduated with your curriculum and _____ is in the 10th grade, she starts 11th grade in the fall and I've just been hearing of a couple of rumblings of the school shutting down, so it's- so if you could please just get back to me. I know this came up 2-3 years ago in the same way and nothing came of it, so I just wanted to make sure is it something I need to prepare for or just another situation like the one in the past. So if you could just please reach out to me. I am headed into work, but I could certainly- you could leave a message, and I could definitely call you back if I can't answer the phone. My number is 702-***-**** and its _____ and I really appreciate it. Thank you Ms. Kelly. Bye-bye.

Exhibit I-3

Exhibit I-3

2018-02-26

Hi. Good Morning, this is _____ and _____ calling on behalf of our daughter
_____, 9th grader. I was wondering if we could get a phone call back concerning
notification of a possible school closing. My cell number is 702-***-****. Thank you, bye now.

Exhibit I-4

Exhibit I-4

From: Bernardo, Megan (NVVA Admin)
To: ~~Hamilton, Megan (NVVA Admin)~~
Subject: FW: NVVA questions
Date: Monday, February 26, 2018 8:22:00 AM

From:
Sent: Sunday, February 25, 2018 8:46 PM
To: Bernardo, Megan (NVVA Admin) <mbernardo@nvvacademy.org>
Subject: NVVA questions

Dear Ms. Bernardo,

We received the update from Ms. Hamilton regarding the procedure to begin closing Nevada Virtual Academy. Our daughters began attending this school about 9 years ago and we have overall been pleased with quality of the curriculum and all of the efforts everyone has made to improve education for the students. However, we are obviously concerned about the possible closure of the school. What is the timeline? Is there an appeals process and how long does it take? Should we begin to examine other school choices for the 2018-2019 school year?

Before this announcement, we had intended to continue with NVVA. Please let us know if we need to adjust our plans for our daughters' education.

Thank you,

Send from Yahoo! Mail

Exhibit I-5

Exhibit I-5

From: Bernardo, Megan (NVVA Admin)
To: ~~Chantal Yulanda (NVVA Admin)~~
Subject: FW: State Public Charter School Authority Update
Date: Monday, February 26, 2018 9:29:00 AM
Attachments: [1519421172576.png](#)

From:
Sent: Monday, February 26, 2018 9:14 AM
To: Bernardo, Megan (NVVA Admin) <Bernardo.Megan@nvvacademy.org>; Bray, Genevieve (NVVA Teacher) <Bray.Genevieve@nvvacademy.org>
Cc:
Subject: Re: State Public Charter School Authority Update

Please let me know what us, as parents, can do since this program has been a benefit for my son who has Asperger's and was horribly bullied when in traditional school.

I am part owner of a company that provides litigation consulting and assistance with referrals to qualified counsel, as well as mass and effective social media campaigns to bring awareness. We can assist with donations and possibly assist in shifting to private schooling option.

Please let me know. This shouldn't happen since my sons grades went from D's and F's to A's and B's after being removed from traditional schooling.

Thanks,

On Feb 23, 2018, at 1:26 PM, Bernardo, Megan (NVVA Admin) <Bernardo.Megan@nvvacademy.org> wrote

<[1519421172576.png](#)>

February 23, 2018

Dear NVVA families,

As you may be aware, the State Public Charter School Authority voted last Friday to begin a process to close down our school. Please be assured that NVVA intends to fight the Authority's recent action impacting our students and families.

NVVA is making incredible progress academically. I have great confidence in the direction we are headed as a school — showing an upward trend in our students'

proficiency. We are also fortunate to have a great support system including the NVVA Board, K12, administrative team, and dedicated teachers.

Finally, I want to thank all of our parents who wrote letters, made phone calls or attended the Authority board meeting last Friday.

I encourage each of you to remain involved. One of the best things you can do for our school is to make sure your students are attending classes, preparing for state testing, and having a successful remainder of the 2017-18 school year.

Nevada Parents for Online Education (NVPOE), a non-profit statewide organization made up of parent volunteers, is leading our advocacy efforts. They are helping parents share their student success stories and highlight the benefits of our school. It's extremely important that we continue to educate the Authority and other elected officials about the great things happening at our school.

To learn more about NVPOE, please visit and LIKE their Facebook page at <https://www.facebook.com/psnevada/>

As promised, I will continue to keep you updated as events unfold. Please feel free to reach out with any questions you have. And as always, thanks so much for choosing Nevada Virtual Academy for your children's education! We will continue to fight for parent's choice in where they send their children to be educated!

Best,

Dr. Hamilton

<1519421172576.png>

Exhibit I-6

Exhibit I-6

From: Bernardo, Megan (NVVA Admin)
To: [Bernardo, Megan \(NVVA Admin\)](mailto:Bernardo.Megan@nvvaacademy.org)
Subject: FW: Latest Developments with State Public Charter School Authority
Date: Monday, March 5, 2018 2:30:00 PM
Attachments: [1520031178298.png](#)

From:
Sent: Saturday, March 03, 2018 8:45 AM
To: Bernardo, Megan (NVVA Admin) <mbernardo@nvvacademy.org>
Subject: Re: Latest Developments with State Public Charter School Authority

Are you sending the list of other schools because you believe NVVA will end up being closed no matter what the school does? Or do you believe a portion of NVVA will remain open for next year?

On Fri, Mar 2, 2018 at 2:53 PM, Bernardo, Megan (NVVA Admin) <Bernardo.Megan@nvvaacademy.org> wrote:

March 2, 2018

Dear NVVA Families,

As promised, I wanted to keep you updated on the latest developments with the State Public Charter School Authority. In my last correspondence, I mentioned the Charter Authority Board voted to issue an Intent to Notice to Terminate the Charter Contract at the end of this current school-year. As a result, we are required to inform our families of this vote.

To be clear, we have not received a notice of termination. The next step is that the school is given the opportunity to cure any alleged problems and document those corrections to the Authority. In conjunction with our next Board meeting on Tuesday, March 20, 2018 at 5:00 p.m., we will address this issue and will solicit any feedback from you on how to best address the concerns raised by the Authority. You are the beneficiaries of what we do at NVVA, and we encourage you to attend and participate in this dialogue.

Please also know that the NVVA board does not agree with the Authority's issuance of the Notice of Intent to Terminate, and that in addition to the school submitting an improvement plan to the Authority, our board will explore all legal options to challenge the Authority's actions and defend your student's important right to continue attending NVVA.

As always, we know you have a choice in where you send your children for school, and we are so thankful you have chosen Nevada Virtual Academy. Although we do not want to lose your child as a student, a list of other Nevada Schools can be found at

http://www.doe.nv.gov/Schools_Districts/Nevada_Schools_and_District_Information/

Many of you expressed concerns about the school closing prior to the end of this school-year. Please be advised that any adverse action by the Authority would not be effective until the end of the 2017-2018 school year. We are looking forward to successfully completing our Spring State Mandated Testing and completing instruction for the students of NVVA. Please know you have a voice, too, and you should make your voice heard to ensure that your school continues to be a viable option in the years ahead. We will let you know when there are opportunities to share your personal stories and make the case for why NVVA is working for your student.

Sincerely,

Dr. Hamilton

Exhibit I-7

Exhibit I-7

From: Tudela, Evira (NVVA Admin)
To: and Next School Year
Subject: Friday, March 23, 2018 11:21:41 AM
Date:

Hi,

Can you please tell me when we will know the outcome of the appeal to the school closure. I will need time to research and register my children at another school if it is closed.
Thank you,

On Fri, Mar 23, 2018 at 11:19 AM Tudela, Evira (NVVA Admin)
<tudela.evira@academy.org> wrote:

Dear

I am excited to see that your family will continue to be part of the NVVA Community. is re-registering for the upcoming school year. I am happy

We look forward to working with you and school year.

to ensure you are both ready for next

Thank you.

Exhibit I-8

Exhibit I-8

From: Tudela, Evira (NVVA Admin);
To: _____
Subject: _____ and Next School Year
Date: Friday, March 23, 2018 11:30:51 AM

Hello,

Will the school be open next year? I haven't heard any information regarding the outcome of the state's decision to close the school. I know that it is to remain open until the end of the school year but beyond that I haven't heard anything. I don't want to enroll _____ to have it close halfway through the school year.

At this point we are undecided and need to talk it over as a family.

Sincerely,

On 3/23/2018 11:24 AM, Tudela, Evira (NVVA Admin) wrote:

Dear _____ :

I hope all is well with you and _____

I am reaching out to see if _____ will be returning to NVVA next school year. I am very happy to provide any information or support you or _____ may need as you make this important decision.

If you have made your decision, please log in to the Online School (<https://online.k12.tx.us/login>) using your Learning Coach username and password. Click on the Re-Registration banner from your Learning Coach landing page or within "My Info" to access the Re-Registration portal. You will then see instructions on how to indicate if _____ will or will not return to NVVA next school year.

We hope your family continues to be members of the NVVA community. Please let me know if it would be helpful to further discuss as you make your decision.

Thank you.

Exhibit I-9

Exhibit I-9

From: Tudela, Evira (NVVA Admin)
To: Re: J and Next School Year
Subject: Friday, March 23, 2018 11:52:44 AM
Date:

Dear Ms. Tudela,

We want nothing more than for [redacted] to return to NVVA next year. However, until there is a court injunction stopping the Charter Authority from closing the school, or until we have official word that at least the Middle and High School will retain their charters, I won't submit his renewal. I need to secure him a spot in a virtual school as that is the only type of schooling that works for him at this time due to his medical issues and challenges.

I am doing all I can to help keep the school open. I have made numerous calls, written letters, met with whoever will see me. In fact I am meeting with Assemblyman and Education Committee member Pickford on Monday regarding this issue. I'm happy to help in any other way I can. Please keep me informed.

All my best,

On Fri, Mar 23, 2018 at 11:24 AM Tudela, Evira (NVVA Admin)
<tudela@nvvaacademy.org> wrote:

Dear

I hope all is well with you and

I am reaching out to see if [redacted] will be returning to NVVA next school year. I am very happy to provide any information or support you or [redacted] may need as you make this important decision.

If you have made your decision, please log in to the Online School (online.k12.com/login) using your Learning Coach username and password. Click on the Re-Registration banner from your Learning Coach landing page or within "My Info" to access the Re-Registration portal. You will then see instructions on how to indicate if [redacted] will or will not return to NVVA next school year.

We hope your family continues to be members of the NVVA community. Please let me know if it would be helpful to further discuss as you make your decision.

Thank you.

mobile

evira@gmail.com

Exhibit I-10

Exhibit I-10

From: Tudela, Evira (NVVA Admin)
To: ~~Bernardo, Megan (NVVA Admin)~~
Subject: FW: J and Next School Year
Date: Tuesday, March 27, 2018 11:26:22 AM

Please see email below

From:
Sent: Saturday, March 24, 2018 10:47 AM
To: Tudela, Evira (NVVA Admin) < @nvvacademy.org>
Subject: Re: and Next School Year

On Friday, March 23, 2018, 11:24:13 AM PDT, Tudela, Evira (NVVA Admin) < @nvvacademy.org> wrote:

Evira Tudela,

We are still weighing our options for my student. One of our main concern was the intent to close the school by the board. We need assurances that the school will not shut down before we re-enroll our student. Thank you.

Dear

I hope all is well with you and

I am reaching out to see if you will be returning to NVVA next school year. I am very happy to provide any information or support you or Jared may need as you make this important decision.

If you have made your decision, please log in to the Online School (online.K12.com/login) using your Learning Coach username and password. Click on the Re-Registration banner from your Learning Coach landing page or within "My Info" to access the Re-Registration portal. You will then see instructions on how to indicate if Jared will or will not return to NVVA next school year.

We hope your family continues to be members of the NVVA community. Please let me know if it would be helpful to further discuss as you make your decision.

Thank you.

Exhibit I-11

Exhibit I-11

Hi Dr. Hamilton,
My son [redacted] is a 10th grade student at NVVA. He also has been diagnosed with Schizophrenia. NVVA has allowed my son to continue his High School education. My family has had a 5 star experience at your school! If you need me to testify in the most positive support of NVVA I will be more than happy to do this.
Best Regards,

t:

Thank you for informing me. I will make every effort to be there as this school has saved my son & I'd like to let them know.

Sincerely
Kathy

Dr. Hamilton,

Thank you for continually keeping us informed. Can you please let me know where and when the meeting will take place as soon as you know? My daughter [redacted], who is in 6th grade, also attends the Nevada Home School of Performing Arts on Fridays where she takes choir and band lessons. My son [redacted], who is in 4th grade, will be taking the CSAT (School and College Ability Test) on Friday the 16th as a part of the Johns Hopkins Center for Talented Youth talent search. NVVA has done so much for both of my children that I would love to show my support for the program if I can make it to the meeting. If the meeting takes place while my daughter is at SNHPA or while my son's testing is going on I won't be able to attend, so I am including a letter to explain how much NVVA has done for my children and their needs. I know that the school's star rank goes off of last year's performance and we did not attend NVVA last year, however we are here now and my children are happy. :)

Here's a background story of how we ended up choosing NVVA. For the past 2 years my children attended Doral Academy Fire Mesa; where I also taught 5th grade. Our first year there was the first year the school was open and it was a good fit. Both my children's teachers were willing to work with me as a parent and as a coworker. There was not a GATE program the first year at Doral, but my kids' teachers were willing to offer more in depth projects for them. The second year we were there (last year) Doral offered a GATE program and both my children tested into GATE. Unfortunately, my son's 3rd grade teacher was not willing to work with my son's needs and I had to create a 504 for him. As the school year progressed he became increasingly depressed and filled with anxiety over the content he was missing during GATE because the teacher was not providing him with the missing materials and still testing him on the content. She also had favorites in her class and my son, who finished his work quickly and was often bored, was not one of her more liked students. My daughter started the year off well but, as the highest performing student in the class, the constant pairing with the lowest performing students in the class took its toll and she stopped doing all class work mid-year. She was tired of being the leader, doing all the work, and being teased for being a 'know-it-all' and the teacher's pet. (The fact that I also taught 5th grade, while she was not in my class, also had a negative effect on her.) At the end of the school year I reluctantly decided to stay, but once I received the teacher placement for [redacted] and the class list for [redacted] I chose to look for a different school and we found NVVA.

Ms. Ferrell, my son's teacher, was amazing at the beginning of the year and was able to get him moved from the virtual program to the independent program within the first month. Ms. Cruz, my daughter's homeroom teacher, quickly moved to the independent path and into accelerated math. Both of my kids are happier than I have ever seen them in a school situation. is finally able to work at his own pace in math and he will complete the 4th grade math program within a month. D has already completed 6th grade math and she has moved onto 7th grade math. The flexibility of the online program has allowed us to travel so that can participate in competitive chess. He was even featured in the school's newsletter after he placed 2nd in the American Open K-5 Under 600 chess tournament. The program's flexibility also allows to take courses at Southern Nevada Home School of Performing Arts, where she sings in beginning choir and is the first chair in flute in beginning band. Both and qualified to participate in the Johns Hopkins Center for Talented Youth talent search and they are both taking the CSAT this month. While I would love to see a GATE program at NVVA, the amount of knowledge they have gained from the online format is unprecedented. My children have always performed well on standardized tests, but they made little progress while they were at Doral. This is the first year my children have taken the MAPs tests, however the progress they have made since the beginning of the year is mind boggling. only took the ELA MAP test, however she went from a 231 in September to a 236 in December. took the MAPs test in both math and ELA. went from a 217 in September to a 228 in December in math and from 217 to 224 in ELA. Those are some pretty impressive scores for one semester at NVVA! I realize that our family is not the average family and that has made it very difficult for my children in the past. This program has allowed my children some freedom of choice and pacing and as you can see they are excelling. I have every intention of sending my children to NVVA next year. I have recommended this program to everyone I know. I am very happy with what the school has been able to provide and I am looking forward to the school's continued expansion, possible GATE program next year, and continued accelerated pace.

Thanks for everything,

Would this also affect Middle and High School students?

Kelly
mobile (702)
[@gmail.com](mailto: @gmail.com)

Exhibit I-12

Exhibit I-12

Subject:

FW: Last Chance To Save NVVA

From: @yahoo.com>
Date: June 6, 2018 at 1:09:18 PM PDT
To:
Subject: Re: Last Chance To Save NVVA

Hello

I apologize, but I will not be available to speak at the June 25 meeting. I wish I could be there, unfortunately, I cannot miss any more work.

I do hope that a reasonable agreement can be reached for all who are involved.

In the event, the authority votes to close NVVA for the 2018-2019 school year, I will be relocating my family to another state, as I refuse to place my children into a public school in Las Vegas, Nevada.

This will definitely place our family into a financial hardship, should we need to relocate, as I will have very little time to prepare.

Please keep me posted on the outcome.

Best,

Exhibit 33

Exhibit 33

LAS VEGAS SHOOTING UPDATES

THE FALLEN: THOSE WHO DIED

Mandalay Bay video of Stephen Paddock's movements before Oct. 1 > [Click Here](#)

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Nevada AG: Vendor in breach of contract for late school test scores



Superintendent of Public Instruction for the Nevada Department of Education Steve Canavero speaks to Clark County School District trustees about the Every Student Succeeds Act at the Greer Education Center in Las Vegas Wednesday,

By NEAL MORTON LAS VEGAS REVIEW-JOURNAL
August 17, 2016 - 8:06 pm



For the second time in as many years, the state has found a vendor in breach of its lucrative contract to manage and score the standardized tests that thousands of public school students take every spring in Nevada.

The state attorney general's office on Tuesday notified Data Recognition Corp. of its failure to deliver test score reports in a "timely" manner to the Nevada Department of Education.

Data Recognition is the successor firm for CTB/McGraw-Hill, an education industry

heavyweight that last year outbid 11 other companies for a nearly \$51.5 million contract to develop, administer, score and report the litany of standardized tests used in Nevada.

In a letter sent to Data Recognition, the attorney general's office cited four expected delivery dates in July and August for the scores of tests that third- through 10th-graders completed earlier this year. The corporation failed delivery, the letter reads, "damaged" the education department's mission and prevented the "crucial" delivery of test scores to schools and families prior to the start of the 2016-17 academic year.

Data Recognition President and CEO Susan Engeleiter said in an emailed statement that the firm had not received the letter as of Wednesday but responded to an emailed copy from the Las Vegas Review-Journal.

"We respectfully disagree with the complaints in the letter, and will be sending a formal response to the department," the statement reads.

Last year, Data Recognition said they had no issue handling similar testing systems in other states.

"We haven't had any problems in any other client states," John Bandy, chief information officer for Data Recognition, said in August 2015, before the State Board of Examiners unanimously approved a four-year contract with the firm.

The latest testing hiccup follows what Steve Canavero, state superintendent of public instruction, described as the "wholesale meltdown" of the annual testing season in spring 2015.

At that time, Measured Progress Inc. handled testing services for the state. But as Nevada transitioned from paper tests to an online system, Measured Progress failed to fix systemic glitches that prevented more than two-thirds of students from completing the tests or even logging into the system.

The state eventually accepted \$3.1 million in settlements over the botched system.

"I want to be really clear that this is an entirely different issue than last year," Canavero said Wednesday.

His department estimated that, following Data Recognition's replacement of Measured Progress as the state's testing vendor, more than 270,000 students successfully completed the online assessments. But as of Wednesday, Canavero had not received an explanation from the corporation about why it still had not delivered the scores for those tests.

Data Recognition, according to the attorney general's office, now estimates delivery of the test scores in four batches between Sept. 2 and Nov. 10. It also has two weeks to provide

evidence that it has corrected the contract breaches.

Regardless, Canavero noted it's already too late for principals and teachers who might have used the test score reports to prepare for the start of the 2016-17 school year.

"My goal now is to receive the score reports," Canavero said.

Contact Neal Morton at nmorton@reviewjournal.com or 702-383-0279. Find him on Twitter: [@nealmorton](https://twitter.com/nealmorton)

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Exhibit 34

Exhibit 34

Physically Disabled Sparks Boy Thriving in New Virtual School

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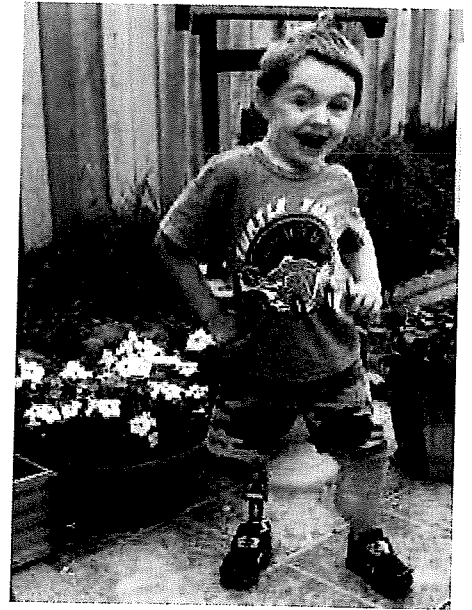
You are here: Home / News / Physically Disabled Sparks Boy Thriving in New Virtual School

Physically Disabled Sparks Boy Thriving in New Virtual School

March 27, 2018 By Kayla Anderson — Leave a Comment

Sparks resident Logan Lansborough can finally go to school and learn on his own terms. At birth, the now 7-year-old was born with a congenital absence of the tibia which resulted in him getting a bilateral amputation. While he has been faced with mobility challenges his whole life, Logan loves to play and his lack of legs has not slowed him down.

However, when it was time to start kindergarten, teachers in the public school system insisted that he be placed in special education classes despite Logan being a mentally sharp and



**Courtesy photo
Bilateral amputee Logan
Lansborough, a 7-year-old
Sparks resident, has thrived in
his new Nevada Virtual
Academy school after being
placed in special education
classes in Kindergarten.**

intelligent kid. Since he was only disabled physically, Logan became bored with the classwork and out of place in that environment.

“He was supposed to go to a school near us. We were hesitant about going to a public school...he can get around with his (prosthetic) legs but he doesn’t always want to wear them,” says Tina Olsen, Logan’s mother. “I didn’t want to put him in a ‘different’ class,” she adds.

Olsen says that her growing boy would also outgrow his legs, and it would take a while to get new ones.

“It’s not like we can go to Target and get new shoes. He has to get fitted, cast for his new legs. We go to Shriners (Hospital for Children) in Sacramento to get them,” she says. The process could take months- potentially months of Logan being out of school.

Watching TV one day, Olsen saw a commercial for the Nevada Virtual Academy, a virtual public education program for K-12 students. Headquartered in Las Vegas, NVA accepts students from all over the state and it is proving that even kids in Sparks, Nevada, can participate and engage in a classroom setting from the comfort of their own home.

“Getting into this school...it could not be more perfect for his needs,” Olsen says. “It gives us the flexibility for doctors’ appointments, and he can do it from home and no one would be gawking at him for not having legs. And the teachers are out-of-this-world outstanding,” she adds. NVA also armed Olsen with resources on how to be a valuable Learning Coach, making both Logan and her feel like they are succeeding.

With about 25 students in his virtual classroom, Logan will start his day at 9 a.m. with a bit of reading and math. Then they take a break, and he'll come back in to join the other students in science, music, handwriting, and literacy. All students log in, they all participate, and they all get called on by the teacher at different times. Students will sometimes use webcams for show-and-tell, getting to know their fellow classmates.

"He's a showoff, he likes to raise his hand a lot and participate. He wants to answer every question and I have to tell him that there's all these other kids in the classroom," Olsen says.

Although Logan hasn't been able to attend any of NVA's in-person meetups in Reno, he definitely still gets out and about.

"He has a ton of friends and likes to go rock climbing, go to Fly High Trampoline Park, go to the library, and he'll probably get into swimming lessons soon," says Olsen. When asked what his favorite subject is, Logan will say "Fly High", but then admits that he likes reading, especially the story of Rapunzel.

Since starting the Academy last August, Logan has learned how to read, how to add and subtract, count to 1000, and knows all of his continents.

"I'm friends with a few of his classmates' parents on Facebook; they all want to meet Logan, they all want to see his legs. One mom mentioned bullying and that's why she wanted to send her kid to NVA, but that's not the reason for us.

"When it takes three months to get new prosthetics, what's he supposed to do during that time? Sometimes he doesn't want to wear his legs, he gets around better without them. His legs weigh 15 pounds, can you imagine carrying all of that weight? He can run and climb better without his legs," Olsen says.

For kids like Logan who cannot attend traditional school through no fault of their own, NVA offers the perfect solution.

"It's really great, I cannot sing its praises enough," Olsen says.

