



STATE PUBLIC CHARTER SCHOOL AUTHORITY

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ACTION MEMORANDUM

TO: SPCSA Board
FROM: Mark Modrcin, Director of Authorizing
SUBJECT: **Discovery Charter School – Charter Renewal Recommendation**
DATE: December 16, 2022

Background and Summary

Discovery Charter School (Discovery) has submitted an application to renew its charter contract as the current charter contract expires on June 30, 2023. Discovery is a brick-and-mortar public charter school that currently serves 493 students in grades Kindergarten through 8th grade across two campuses in Las Vegas.

After a thorough review of the historical data and charter renewal application, staff recommends that the Authority approve the charter renewal of Discovery for a four-year term, beginning July 1, 2023.

The Process Related to Renewal Applications and the Standards Under Which an Application for Renewal of a Charter Contract Will be Granted

The first step in the renewal process is the submission of a renewal report by SPCSA staff to the charter school.¹ Specifically, on or before June 30 immediately preceding the final school year prior to expiration of a charter school's charter contract, the SPCSA submits to the governing body a report regarding renewal. The Discovery renewal report was sent to the board chair on June 30, 2022 and can be found within the supporting documentation for the item.

The renewal report summarizes the performance of the charter school under the terms of the charter contract, identifies any deficiencies related to performance of the charter school that might lead to non-renewal of the charter contract, sets forth the requirements for the renewal application, and identifies the criteria that the sponsor will apply in making a determination on the application for renewal. The charter school may submit a response to the renewal report. [See NRS 388A.285\(1\) and \(2\)](#).

Next, the governing body of the charter school must submit a written notice of intent to submit an application for renewal to the SPCSA 45 days prior to submitting a renewal application. See [NAC 388A.415\(1\)](#). Discovery submitted its notice

¹ Charter school regulations provide for an expedited and streamlined renewal process for high-performing charter schools. Generally, charter schools qualifying for expedited renewal review are those charter schools that are consistently rated as four- and five-star schools under the NSPF and have received no notices of concern or notices of breach for academic, organizational or financial performance. See [NAC 388A.415\(2\)](#).

of Intent to Renew its charter contract on August 24, 2022 and Discovery's notice of intent to renew can be found along with the supporting documents.

In regard to the renewal application, the window to submit the actual renewal application is October 1 through October 15. See [NRS 388A.285\(3\)](#) and [NAC 388A.415\(1\)](#). The application for renewal must include, without limitation:

- (a) The requirements for the application identified by the sponsor in the performance report prepared by the sponsor;
- (b) A description of the academic, financial and organizational vision and plans for the charter school for the next charter term;
- (c) Any information or data that the governing body of the charter school determines supports the renewal of the charter contract in addition to the information contained in the performance report prepared by the sponsor and any response submitted by the governing body; and
- (d) A description of any improvements to the charter school already undertaken or planned.

See [NRS 388A.285\(3\)](#). On November 10, 2022² Discovery submitted its renewal application, which can be found included with the supporting documents.

Discovery's renewal application includes a summary of the key design elements that are currently being implemented at the school, noting that no planned large changes are planned for the upcoming term. The application names several academic programs and curricula that will continue to be implemented, such as Wonders Reading, i-Ready and Metra Phonics. The renewal application notes that the administration has been stable over the last several years and since the receivership was ended in 2019. The renewal application also states that the school recently increased membership of its governing board from five to seven members to ensure transparency and compliance, noting that governance training has also been provided to all members. From a financial perspective, the renewal application details how all receivership-era debts have been paid-off and that the school has benefitted from additional grants over the last several years which have resulted in qualified staffing, teacher incentives and updated technology.

Decisions to renew a charter school contract or deny a renewal application are made and based upon the Nevada's charter school statutes and regulations related to charter school renewal (see [NRS 388A.285](#)) and the collective record of a school's academic, financial, organizational, findings from the site evaluation process, and all data and information provided by the Department of Education.

Note that no factor may be given more weight than the academic performance of pupils at the charter school, and the academic performance of the charter school is the touchstone of any renewal decision. See [NAC 388A.415\(10\)\(b\)](#).

In making its recommendation to the Authority regarding a renewal application, SPCSA staff considers the past performance of the charter school, including information contained in the application for renewal, any site evaluations, academic achievement of pupils, and any other information that is determined to be relevant to whether the charter contract should be renewed, including financial and organizational performance. See [NAC 388A.415\(9\)](#).

When determining whether to grant an application for renewal of a charter contract, the Authority Board considers the foregoing factors, any other information that the Authority Board determines is relevant to whether the charter contract should be renewed. The Authority Board will consider the "totality of the evidence" presented to it when making a renewal decision. See [NAC 388A.415\(9\)](#). Again, as stated above, no factor is to be given more weight than the academic performance of pupils at the charter school.³ See [NAC 388A.415\(10\)\(b\)](#).

At its sole discretion, the Authority Board may renew a charter contract for a term of three (3) to ten (10) years, or, alternatively, deny the renewal application. See [NRS 388A.285\(6\)](#) and [NAC 388A.415\(11\)](#). Note that a variable term length upon renewal was discretion afforded to the Authority under Senate Bill 451 during the 2019 Legislative Session and is now codified in [NRS 388A.285\(6\)](#).

² Discovery requested a Good Cause exemption when submitting its formal renewal application as it was approved by the school's governing body after the statutory deadline (October 15).

³ See [NAC 388A.415\(10\)](#). With regard to a second renewal, the Authority is required to place an even greater weight on academic performance than was assigned to it on the first renewal.

The Authority Board may accept or reject, in whole or part, the recommendation of the Executive Director. See [NAC 388A.415\(10\)\(a\)](#). If a charter contract is renewed, that Authority Board may include a provision for a high stakes review during the term of the renewed charter contract which may result in the termination of the renewed charter contract prior to its expiration, or renew the charter contract and include any additional provisions, requirements or restrictions which the State Public Charter School Authority determines are appropriate. See [NAC 388A.415\(11\)\(b\) and \(c\)](#).

Alternatively, the Authority Board may deny the renewal application for the purpose of reconstituting the governing body of the charter school pursuant to [NRS 388A.330](#) and assigning the charter contract to a charter management organization or a new governing body which may include, without limitation, the governing body of another charter school or a governing body assembled by the Executive Director; deny the renewal application for the purpose of restarting the charter school and issuing a new charter contract pursuant to [NRS 388A.300](#) to a charter management organization or a new governing body, including, without limitation, the governing body of another charter school, which will inherit any assets of the charter school which remain following dissolution; or deny the renewal of a charter contract for the purpose of closing the charter school. See [NAC 388A.415\(11\)\(d\),\(e\) and \(f\)](#).

Analysis

Academics

Discovery currently operates out of two campuses in Las Vegas, Hillpointe and Sandhill. Both the campuses have received ratings under the NSPF, and performance has been mixed across these two campuses since 2017 – 2018. Discovery was operating under a court-ordered receivership from 2017 until 2019 when the local governing board was reconstituted by the Authority. The receivership was instituted primarily due to poor academic performance as the school was ranked in the bottom 5% of schools in Nevada at the time.

Both the Hillpointe elementary and middle school programs earned a 4-star rating according to the 2018 – 2019 NSPF ratings. As the Authority is aware, NSPF school ratings and accountability for the 2019 – 2020 and 2020 – 2021 school years have been carried over from the 2018 – 2019 reporting year. As noted in the NSPF guidance document, a 4-star rating recognizes a commendable school that has performed well for all students and subgroups. A 4-star school demonstrates satisfactory to strong academic performance for all students. Further, the school is successfully promoting academic progress for all student groups as reflected in closing opportunity gaps. The school does not fail to meet expectations for any group on any indicator. The Sandhill elementary program earned a 2-star rating according to the 2019 – 2019 NSPF ratings. As noted in the NSPF guidance document, a 2-star rating identifies a school that has partially met the state’s standard for performance. Students and subgroups often meet expectations for academic performance or growth but may have multiple areas that require improvement. Areas requiring significant improvement are uncommon.

Star ratings were not calculated for the 2021 – 2022 school year due to lack of data brought on by the COVID-19 pandemic as approved by the U.S. Department of Education⁴, but the Nevada Department of Education published index scores⁵. The Hillpointe elementary program earned an index score of 76.6 while the Hillpointe middle school program earned an index score of 73.8. In a typical year when star ratings are issued, these index scores would be equivalent to a four-star rating. The Sandhill elementary program earned an index score of 37.0. In a typical year when star ratings are issued, this index score would be equivalent to a two-star rating.

Due to the 2-star rating at the Sandhill elementary school for the 2018 – 2019 school year, the Authority issued a Notice of Concern to Discovery on October 4, 2019 which remains in effect. Additionally, and as a result of the index score earned by the Sandhill elementary program during the 2021 – 2022 school year, the Authority directed SPCSA staff to conduct additional monitoring of this campus for the remainder of this academic year.

⁴ Page 72 of the NSPF technical guide:

<http://nevadareportcard.nv.gov/DI/MoreDownload?filename=Nevada%20School%20Performance%20Framework%20Manual%202021-22%20School%20Year.pdf>

⁵ According to the NSPF technical guide released by the Nevada Department of Education, star ratings were not calculated for the 2021 – 2022 school year in accordance with flexibility offered in the U.S. Department of Education’s addendum to Nevada’s consolidated state plan due to COVID-19. Star ratings will resume in 2023.

The NSPF results for this current charter term are summarized and provided in the table below:

School Year	NSPF Rating
2021 - 2022 ⁶	<ul style="list-style-type: none"> - Sandhill <ul style="list-style-type: none"> o Elementary: 37.0 - Hillpointe <ul style="list-style-type: none"> o Elementary: 76.6 o Middle: 73.8
2020 – 2021 ⁷	<ul style="list-style-type: none"> - Sandhill <ul style="list-style-type: none"> o Elementary: 3-stars - Hillpointe <ul style="list-style-type: none"> o Elementary: 4-stars o Middle: 4-stars
2019 – 2020 ⁸	<ul style="list-style-type: none"> - Sandhill <ul style="list-style-type: none"> o Elementary: 2-stars o Middle: 2-stars - Hillpointe <ul style="list-style-type: none"> o Elementary: 4-stars o Middle: 4-stars
2018 – 2019	<ul style="list-style-type: none"> - Sandhill (fka Mesa Vista) <ul style="list-style-type: none"> o Elementary: 2-stars o Middle: 2-stars - Hillpointe <ul style="list-style-type: none"> o Elementary: 4-stars o Middle: 4-stars
2017 – 2018	<ul style="list-style-type: none"> - Sandhill (fka Mesa Vista) <ul style="list-style-type: none"> o Elementary: 3-stars o Middle: 3-stars - Hillpointe <ul style="list-style-type: none"> o Elementary: 4-stars o Middle: 5-stars

⁶ According to the NSPF technical guide released by the Nevada Department of Education, star ratings were not calculated for the 2021 – 2022 school year in accordance with flexibility offered in the U.S. Department of Education’s addendum to Nevada’s consolidated state plan due to COVID-19. Star ratings will resume in 2023.

⁷ Due to COVID-19, the Nevada Department of Education (NDE) applied for and was granted a 2020-21 school year waiver from the U.S. Department of Education for certain requirements established by the Every Student Succeeds Act (ESSA). Nevada statewide assessments were administered in the 2020-21 school year, but the NDE did not calculate new Nevada School Performance Framework (NSPF) school ratings for the 2020-21 school year.

⁸Due to COVID-19, the Nevada Department of Education (NDE) applied for and was granted a 2019 – 20 school year waiver from the US Department of Education for certain assessment, accountability, school identification, and reporting requirements established by the Every Student Succeeds Act (ESSA). Accordingly, for the 2019 – 20 school year, Nevada statewide assessments were not administered and the NDE did not calculate Nevada School Performance Framework (NSPF) school ratings.

The Authority adopted its own Academic Performance Framework in 2019⁹. Results for Discovery during the 2021 – 2022 can be found below.

Campus	2021-22 SPCSA Academic Framework Score	2021-22 SPCSA Academic Framework Rating
Hillpointe Elementary	69.9	Meets Standard
Hillpointe Middle	75.2	Meets Standard
Sandhill Elementary	33.2	Does Not Meet Standard

Finally, due to the active notices at Discovery – Sandhill campus, SPCSA staff has implemented heightened oversight for the network over the current charter term. This has included:

- Additional performance reporting to the Authority. Discovery has appeared multiple times before the Authority since the Notice of Concern was issued in 2019.
- Additional performance reporting to SPCSA staff. The Discovery – Sandhill campus provided mid-year performance data for the 2020 – 21 school year last spring for SPCSA monitoring.
- Ongoing site evaluations across the network, including an additional evaluations at the Discovery – Sandhill campus. Since January 2019, SPCSA staff has conducted two site evaluations at both the Discovery campuses with a scheduled site evaluation at both campuses later this school year. Site evaluation reports always include several recommendations for schools. Over the current charter term, SPCSA staff has recommended that the school formalize a plan and take steps to diversify its student body, develop a prospective board member pool to quickly fill future vacancies on the governing body, and continue to focus on improving student achievement levels at the Sandhill campus.

Organizational

The current iteration of the SPCSA’s Organizational Performance Framework was adopted by the Authority in the summer of 2019. The school earned 100 points under the 2020 Organizational Performance Framework as approved by the Authority on November 6, 2020, and earned 99 points under the 2021 Organizational Performance Framework as approved by the Authority on January 28, 2022. SPCSA staff have not noted any substantial organizational performance concerns during the 2022 – 2023 school year, although some minor issues such as OML compliance have been communicated to Discovery staff.

SPCSA Organizational Framework Findings

2021 – 2022	<i>To be reported in December 2022</i>
2020 – 2021	Meets the Standard (99/100 points)
2019 – 2020	Meets the Standard (100/100 points)
2018 – 2019	No organizational performance concerns identified
2017 – 2018	No organizational performance concerns identified

Financial

In 2018, the Authority requested that the SPCSA Financial Framework be modified so as to be better assess the financial health of sponsored schools. The revised SPCSA Financial Framework was approved on January 18, 2019, with results for Fiscal Year 2020 (FY20) approved by the Authority in January 2021. Discovery was issued a Notice of Concern for FY20 as a result of its financial performance. The school did not earn a ‘Meets Standard’ rating under five of the seven reported indicators. For FY21, Discovery earned a ‘Meets Standard’ rating under six of the seven reported indicators. Despite not meeting the performance standard for the Debt to Asset ratio indicator, the notable improvement compared to the prior fiscal year resulted in the Authority lifting the aforementioned Notice of Concern during its meeting on January 28, 2022.

⁹ Despite being adopted in 2019, results under the SPCSA Academic performance Framework were not adopted for the 2019 – 2020 and 2020 – 2021 school years due to the COVID-19 pandemic and the lack of NSPF scores. 2021 – 2022 was the first academic year with reported scores.

SPCSA Financial Framework Findings

2021 – 2022	<i>To be reported in January 2023</i>
2020 – 2021	Meets the Standard; Prior Notice of Concern removed
2019 – 2020	Notice of Concern issued
2018 – 2019	No financial performance concerns identified
2017 – 2018	No financial performance concerns identified

Recommendation: Renew Discovery Charter School for a 4-year term

As described above, the Discovery network has exhibited a range of academic performance over the charter term. The network also has one active academic notice, a Notice of Concern for the Sandhill elementary program. The network does exhibit stronger performance at the middle school level and at the Hillpointe campus overall, consistently meeting state standards according to NSPF ratings. The Hillpointe campus has earned high marks under the SPCSA Academic Performance Framework for the 2021 – 2022 school year.

It is also noteworthy that while a Notice of Concern was issued regarding financial performance, that notice has since been lifted and currently the school does not have any financial or organizational notices.

SPCSA staff is concerned about the current academic performance levels at the Sandhill campus. SPCSA staff will continue to monitor the performance at this campus closely, both through ongoing oversight as directed by the Authority as well as through a scheduled site evaluation in early 2023. Because the academic performance at the Hillpointe is at or above the state performance standards according to the NSPF, SPCSA staff recommends that the Authority renew Discovery for a four-year term, beginning July 1, 2023. Improved performance, particularly with regard to the Sandhill elementary program, is needed to warrant a longer charter term. The new term would be subject to the enrollment caps outlined below.

	2023-2024	2024-2025	2025-2026	2026-2027
Campus	Enrollment Caps			
Hillpointe	380	380	380	380
Sandhill	120	120	120	120
Grades Served <i>(all campuses)</i>	K-8	K-8	K-8	K-8

Proposed Motion

Approve the Discovery Charter School Renewal Application for a four-year term beginning July 1, 2023 and the enrollment caps as outlined above in the recommendation memo. Additionally, direct SPCSA staff to continue heightened oversight, such as those activities referenced within this memo, over the network, specifically those campuses with active notices. Finally, in the event of continued academic underperformance the Authority may impose additional oversight.

Appendix: School Demographics since 2017¹⁰

Discovery Charter School (combined)

Year	Total Enrollment	A	B	C	H	I	M	P	IEP	ELL	FRL
17-18	388	2.5%	7.2%	56.1%	23.4%	1.0%	6.9%	2.5%	5.9%	*	19.3%
18-19	372	1.6%	12.9%	47.8%	23.6%	0.8%	10.2%	2.9%	6.9%	*	31.7%
19-20	373	1.3%	11.7%	41.5%	32.9%	1.0%	9.9%	1.3%	6.9%	*	0.0% ¹¹
20-21	450	2.8%	10.0%	37.3%	38.0%	0.8%	10.0%	0.8%	6.8%	*	0.0% ¹²
21-22	460	2.3%	8.4%	36.0%	40.2%	0.6%	10.8%	1.3%	8.6%	5.0%	20.2%
22-23	493	3.0%	9.5%	35.9%	39.6%	0.6%	9.9%	1.4%	10.8%	*	24.9%

Discovery - Hillpointe

Year	Total Enrollment	A	B	C	H	I	M	P	IEP	ELL	FRL
17-18	234	2.1%	6.8%	59.8%	23.9%	1.2%	5.9%	0.0%	8.1%	*	17.9%
18-19	253	1.9%	9.8%	54.1%	24.1%	1.1%	8.6%	0.0%	6.7%	*	26.4%
19-20	267	1.1%	8.9%	50.1%	28.8%	1.4%	8.9%	0.3%	7.1%	*	0.0%
20-21	339	2.9%	7.0%	42.4%	33.9%	1.1%	11.5%	0.8%	7.3%	*	0.0%
21-22	359	2.5%	6.6%	40.3%	36.2%	0.8%	12.2%	1.1%	8.9%	<5.0%	16.9%
22-23	404	3.2%	7.6%	39.1%	37.6%	0.7%	10.1%	1.4%	13.1%	<5.0%	19.8%

Discovery - Sandhill

Year	Total Enrollment	A	B	C	H	I	M	P	IEP	ELL	FRL
17-18	154	3.2%	7.7%	50.6%	22.7%	0.6%	8.4%	6.4%	*	*	21.4%
18-19	119	0.8%	19.3%	34.4%	22.6%	0.0%	13.4%	9.2%	*	*	42.8%
19-20	106	1.8%	18.8%	19.8%	43.3%	0.0%	12.2%	3.7%	*	*	0.0%
20-21	111	2.7%	18.9%	21.6%	50.4%	0.0%	5.4%	0.9%	*	*	0.0%
21-22	101	1.9%	14.8%	20.7%	54.4%	0.0%	5.9%	1.9%	*	10.8%	31.6%
22-23	89	2.2%	17.9%	21.3%	48.3%	0.0%	8.9%	1.1%	*	*	48.3%

A – Asian

B – Black/African American

C – Caucasian/White

H – Hispanic/Latino

I – American Indian/Alaskan Native

M – Two or More Races

P – Pacific Islander

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

ELL – English Language Learner

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

To protect student privacy, rates associated with IEP, ELL, and FRL populations less than 10 students are displayed with an asterisk (*), and extreme values less than 5 or greater than 95 percent are shown as <5 and >95, respectively. N/A indicates the population did not exist.

¹⁰ Enrollment as of Validation Day each year (October 1).

¹¹ This reported value of 0% FRL for the 2019-20 school year was due to an error by the school in the NDE October 1, 2019 validation day. This value was likely not 0%.

¹² This reported value of 0% FRL for the 2020-21 school year was due to an error by the school in the NDE October 1, 2020 validation day. This value was likely not 0%.