

Athlos Academy of Reno

Charter School Application Recommendation Report

Summary

School Name

Athlos Academy of Reno

Mission

Athlos Academy of Reno’s mission is to provide high quality educational opportunities for the whole child based on three foundational pillars of Prepared Mind, Healthy Body, and Performance Character. The Athlos model is rooted in the belief that each pillar is innately dependent on the strength of the other pillars and that children have the best opportunity for success in college, career and life when they are supported by high quality programs in the three interconnected pillar areas.

Proposed Location

Washoe County

Enrollment Projections

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
K	100	100	100	100	100	100
1	140	140	140	140	140	140
2	140	140	140	140	140	140
3	140	140	140	140	140	140
4	140	140	140	140	140	140
5	140	140	140	140	140	140
6	140	140	140	140	140	140
7	140	140	140	140	140	140
8	140	140	140	140	140	140
Total	1,220	1,220	1,220	1,220	1,220	1,220

Overview

The Recommendation Report for Athlos Academy of Reno is a summary of the evidence collected by the State Public Charter School Authority (SPCSA) through its interviews and dialogue with the applicant group, review of the school’s Charter Application Proposal along with an analysis of performance data for other charter schools implementing the same academic model.

A recommendation to approve a charter for a six-year period is based on a comprehensive review of the proposal, performance data for replicated schools, the applicant capacity interview, follow-up discussion with applicants, and—where possible—site visits, guided by three essential questions:

1. Will the academic program be a success?

2. Will the school be an effective and accountable organization?

3. Will the school be fiscally sound?

This report is structured around three sections: Academic, Fiscal, and Organizational. Each section contains an overview of key findings based on a the totality of the evidence and concludes with Authority staff’s determination on each of the three guiding questions.

Recommendation

Overall Recommendation

Deny with an Invitation to Revise and Resubmit the Application within the 30 Days of Receipt of Written Notice of Denial Pursuant to NRS 388A.255

Summary of Application Section Ratings

Rating options for each section are Meets the Standard; Approaches the Standard; Does not Meet the Standard

Section 1. Executive Summary

- **Approaches the Standard**

Section 2: Meeting the Need: Targeted Plan

- **Approaches the Standard**

Section 3: Parent and Community Involvement

- **Does Not Meet the Standard**

Section 4: Academic Plan – Mission & Vision

- **Approaches the Standard**

Section 5: Transformational Change

- **Approaches the Standard**

Section 6: Curriculum & Instructional Design

- **Approaches the Standard**

Section 7: Distance Education

- **Not Applicable**

Section 8: Pre-K

- **Not Applicable**

Section 9: High School Graduation Requirements

- **Not Applicable**

Section 10: Driving for Results

- **Approaches the Standard**

Section 11: At-Risk Students and Special Populations

- **Approaches the Standard**

Section 12: School Structure: Culture

- **Approaches the Standard**

Section 13: School Structure: Student Discipline

- **Approaches the Standard**

Section 14: School Structure: School Calendar/Schedule

- **Does Not Meet the Standard**

Section 15: Day in the Life & Scenarios

- **Does Not Meet the Standard**

Section 16: Operations Plan– Leadership Team

- **Does Not Meet the Standard**

Section 17: Operations Plan– Leadership for Expansion

- **Approaches the Standard**

Section 18: Operations Plan – Staffing

- **Approaches the Standard**

Section 19: Operations Plan – Staffing

- **Approaches the Standard**

Section 20: Operations Plan – Scale Strategy

- **Approaches the Standard**

Section 21: Operations Plan – Student Recruitment and Enrollment

- **Does Not Meet the Standard**

Section 22: Operations Plan – Board Governance

- **Meets the Standard**

Section 23: Operations Plan – Incubation Year Development

- **Approaches the Standard**

Section 24: Operations Plan – School Management Contracts and Services

- **Does Not Meet the Standard**

Section 25: Operations Plan –Services

- **Approaches the Standard**

Section 26: Operations Plan – Facilities

- **Approaches the Standard**

Section 27: Operations Plan – Ongoing Operations

- **Meets the Standard**

Section 28: Financial Plan

- **Approaches the Standard**

Academic

Performance Data:

For applicants seeking to replicate an existing model—whether as a direct charter management organization applicant, a committee to form partnering with a non-profit or for-profit education management organization, or a committee to form which seeks to independently replicate, primary consideration must be given to the academic track record of the model.

Staff reviewed the Athlos academic performance data provided by the applicant as part of the application submission, but was unable to verify it against publicly available data due to the limited information provided.

Conclusion: Based on the information submitted, there was insufficient information to determine if the Athlos schools in Texas and Minnesota are performing at a high enough level to merit additional replication. The applicant noted that it expected to receive additional performance information from the states of Texas and Minnesota within two months of application submission. As the information was not included in the initial submission and the applicant asserted it would not be available until 60 days following the submission, there was no opportunity to update this information during the administrative completeness review period following application submission and prior to review. The applicant is encouraged to resubmit the application with updated information in the format requested to allow for a thorough review. Consistent with past practice, student achievement data submitted by the applicant will be spot-checked against publicly available sources to verify the accuracy of the data (e.g. student population, test scores) and other essential achievement information (e.g. individual state ratings, including but not limited to A-F grades, AYP status, Met Standard, etc). Such information is also critical to determining whether the model is eligible for replication in other states, a key indicator of authorizer quality assessment.

Areas of Strength:

As noted above, insufficient evidence was provided to evaluate the track record of the academic model. Based on an initial review of the application, there are areas of strength which merit consideration in the event the applicant demonstrates a track record of academic success of its chosen educational management organization in the early implementation of this model. Staff is encouraged by the reflectiveness of members of the committee to form and would note that they have already begun acting on feedback provided during the capacity interview and follow-up discussion regarding questions asked about key areas of the academic plan.

Key strengths include:

- Athlos articulates their mission as being “to provide high quality educational opportunities for the whole child” (p 10).

- The applicant articulates an ambitious and positive vision for the school. The capacity interview with the proposed founding governing body indicates a strong commitment to the goals and vision outlined in the application. The application and interview clearly demonstrates the applicant's belief in its three 'foundational' pillars, notably in regards to physical education (e.g., p. 12).
- The mission is clearly aligned with multiple statutory purposes, as the response indicates it will address three (3) of the stated statutory purposes: (a) a 'vision' of improving academic achievement for students, (b) innovative methods of teaching, and (f) creating new professional opportunities for teachers (p 11).
- The application speaks (anecdotally) to overcrowding issues at local schools (page 5), identifying at least one specific, albeit unquantified, community need.
- The applicant demonstrates clear ties to the local community, describing how board members, and their affiliated businesses, are members of the community to be served, and how some have even been students in the area schools themselves and currently have students enrolled there. (p. 7-8)
- The application provides an example of how the partnership with the Athlos Academies EMO has potential to benefit the school, in that the EMO will provide training for staff, board members, and non-specified "community members" to conduct home visits and recruitment within the community, such as by going door-to-door.
- The application speaks to a range of curriculum materials that will be used by the school across multiple subject areas, as well to curriculum resources developed by the school's EMO, Athlos Academies (notably for athletics, pages 21-23, and science, page 20).
- The applicant details specific criteria that will be used to assess potential community partnerships. (p 8-9)
- The applicant speaks to how assessments reflect the school's "commitment ... to continuous growth and personal accountability" (p 12) and will include formative and summative assessments (p 13).
- The applicant discusses state accountability system and the use of state assessments, including comparing the school's performance against that of the surrounding district (p 30).
- The application describes how the Athletic Curriculum will be administered and assessed, as well as to how students will self-assess their development of Performance Character and document their growth in a portfolio (p 31).
- The applicant's definition of students "at-risk" aligns with Nevada law (NRS 388A.045) and speaks to a use of multiple measures to identify students possibly at-risk of dropping out, including analysis of discipline referrals and attendance records "at least" monthly (p 35).
- The applicant speaks to a fairly detailed process for identifying and monitoring students in need of additional supports (p37), as well as for using systems like Child Find and the RTI process to identify students in possible need of Special Education services (38) and the possibility of using 504 plans for supports de-certified for Special Education services.
- The response also speaks to at least one local board member with significant professional experience as an educator, as well as at least one staff member at the EMO with previous school-level professional experience.

- The applicant articulates a school culture driven by their Performance Character program and 12 traits that students will be expected to demonstrate, as well as examples of how students can demonstrate each trait (e.g., “grit by persevering following a failure”) (p 46).
- The applicant espouses an adherence to the principals of “restorative discipline” and seeks to reduce the need for disciplinary action by fostering a school culture that emphasizes respect, responsibility, and cooperation. The application makes reference to an established plan. Goals and specified personnel for key steps are detailed (such as on pages 50-51). In addition, reference is made to specific tools and strategies that may be used, such as personalized Behavior Intervention Plans (BIPs).
- There is a significant amount of work already done on the student uniform policy (pages 48-49).
- The school will adhere to the establish calendar of the surrounding Washoe County School District, which the school reports will be helpful to potential families and students. (p59). Detailed daily calendars are also provided for elementary and middle school grades (pp60-61), as well as descriptions of daily events (e.g., athletic activities) (60) and specific Nevada code governing academic year requirements (p60). Attendance plans are detailed, as well.

Areas for Improvement:

- While it is understandable and appropriate that the applicant intends to consider advice from its EMO vendor, references to the EMO providing training to the governing body can raise concerns about the level of independence of the school. Given the EMO’s role as the primary service provider, it is important to explain how the governing body will ensure that it also receives unbiased governance training from reputable third parties with specific experience in charter school governance, as well as from organizations or individuals with Nevada-specific expertise.
- The applicant’s theory of change is based on the three foundational pillars (p10) but does not clearly articulate a demonstrable plan to place school within top tier of Nevada schools, including basic elements such as a protocol for rigorously analyzing student performance on state assessments and remediating areas of concern based on this analysis.
- The vision response provided states that its main goal will be to develop “performance character” and describes how research identifies this as being more important than “intellectual talent or educational attainment.” (p11) How this will be measured is not described.
- The applicant indicates a desire to address serious overcrowding in area schools but does not articulate a compelling academic need to be addressed other than this.
- The academic goals articulated in the application are qualitative instead of quantitative. For example, the applicant group did not identify ways in which they expect students to obtain critical-thinking skills referenced on page 1 or how mastery of such skills will be measured objectively. Even given the limited and incomplete baseline data available at the time of application, the applicant’s quantitative assumptions appear unrealistic.
- While the applicant notes some of the impact of overcrowding in the target community, there is no data shared that would illuminate to what degree this particular school will help to alleviate the overcrowding.

- The applicant discusses truancy issues and notes a general lack of engagement (page 5), but does not address how their model will specifically meet the needs of the target community.
- The applicant does not address significant existing issues related to low academic performance of many of the existing schools in the local school district.
- The applicant asserts that the proposed model will reduce the number of high school dropouts in Washoe County, but it does not provide any data to articulate how low dropout rates are a pressing issue in South Reno.
- The applicant did not provide an answer to prompt # 4 under Family and Community Engagement (page 7). While the applicant emphasizes the importance of community partnerships and articulates a thoughtful process for partnership selection, no partnerships are identified beyond the EMO vendor. Additional clarification as to the progress of ongoing efforts to develop community partners, as referenced on page 8, would be helpful to clarify what supports will be available to Athlos students and their families.
- While the application describes parents “being invited” to be a part of the Athlos community (page 7), the applicant did not identify the difference between being invited and being actively engaged. It is unclear how the applicant will move the needle from basic outreach for the sake of compliance to the development of authentic relationship with parents and the community.
- The applicant’s discussion of the mission and vision does not contain any specific or direct links to the academic plan. It is unclear how this mission and vision will be implemented on a day to day basis. To the degree that the assessment tool for these traits is proprietary to the EMO, it is unclear how the school will be able to monitor and report them in the event that the school and the vendor part ways.
- It is unclear what performance character traits students will be learning until far later in the narrative – while these traits have been mentioned numerous times by page 10, they have not been precisely identified. Given the centrality of this element of the school design, it is critical that the reader and the general public understand what exactly these traits are, how they will be taught, and how they will be measured.
- It is unclear exactly how the school’s academic program designed to address “the achievement gap” (page 13). This is the only explicit reference to an achievement gap in the entire application packet, and no additional details are provided to clarify. It is unclear from the narrative whether the applicant has identified a particular achievement gap as there is no mention of gaps in school performance in this target community and the target population is not identified specifically enough to determine which gap or gaps may be referenced. Given the lack of specificity and data related to target population, need, demand, and intended outcomes, it is unclear what the basis exists within the data to justify the assertion that there is a significant gap, and what demographic subgroups are most negatively impacted.
- The applicant asserts that the school’s use of varied summative assessments will “engage all students” (p. 13). It is unclear how assessment is an appropriate engagement strategy. Moreover, given the explicit expectation in the rubric that applicants develop a plan to invest students and families in school and state required assessments to ensure high levels of active participation, it is incongruous to assert that assessments are themselves an effective engagement strategy.

- The applicant frequently articulates positive and laudable aspirational goals, such as using differentiated instruction to foster growth for all students (p14) and alleviating high youth obesity rates in target area (p12), but provides only cursory details as to how those goals will be realized. For example, response to prompt #4 under “Transformational Change” identifies differentiated instruction as a foundational practice (p14) and references a more detailed description of it on page 24 (note—this reference is incorrect, as the actual description is on page 26), but this description lacks specific detail. Differentiating instruction, especially to meet the needs of students performing below grade-level expectations, is a complicated process involving assessment, data analysis and careful instructional planning, among other items. The description consists of a brief paragraph that describes what teachers at Athlos will be expected to do but does not reference specifics of elements of differentiated instruction planning and delivery nor does it reference any specific literature on this instructional methodology (e.g. a discussion of Tomlinson’s approach versus other implementations to clarify how differentiated instruction will be implemented at Athlos). Consequently, it is unclear whether differentiated instruction will be enough to increase student achievement to meet state targets. The applicant did not articulate the specific tactics, strategies, and methods that they will be using with students to ensure that they are making the gains necessary to move student achievement to the level necessary to meet SPCSA goals.
- At times, the application reads more like a marketing document than a thoughtful, well-crafted plan for a school. The narrative frequently references education catchphrases, such as “engaging curriculum,” “critical inquiry,” and “project-based instructional strategies,” without clearly articulating how these relate to the school’s intended model. For example, critical inquiry and project-based approaches can be effective instructional methods, but they do not necessarily in and of themselves “ensure [that] students [will] achieve their fullest academic potential,” as stated on page 12. It is critical that the applicant articulate how these approaches will be used.
- The applicant states that the Athlos curriculum will be aligned to Nevada standards for ELA and Math as well as to Common Core standards, and further states that this alignment will “ensure that students are successful on state and standardized tests.” Many underperforming Nevada schools utilize similar curricular resources. The alignment of a curriculum to established standards is not enough to “ensure” high academic performance, especially on standardized assessments like the SBAC assessments used in Nevada.
- The applicant plans to use proprietary social studies and science content developed by the EMO vendor. The limited description of this content notes that it was developed using Wiggins and McTigh’s Understanding by Design (UBD) ‘backwards’ planning model. This is the framework upon which units in these subjects will be designed (p20). UBD has been used to develop highly effective assessments and curricula that have dramatically increased student achievement. Conversely, other curricula developed with the UBD approach have been far less successful. It is unclear whether there is evidence to support a conclusion that this particular curriculum will result in high student achievement for the target population. Additionally, as UBD is a standards-based approach whereby the curriculum developer first creates the assessment based on a careful analysis of both student needs and a particular academic standard, the lack of specific reference to standards, such as the Next Generation Science Standards adopted by the State Board as the Nevada Academic Content Standards for science is an additional deficiency which must be remedied.

- It is unclear whether the applicant has a plan to replace proprietary Athlos content (e.g. science and social studies curricula) with other resources in the event that the management agreement is cancelled, whether there is a contingency budget for such an eventuality, and how such a transition will be managed to minimize disruption to students and families.
- Few examples are provided as to how curriculum materials will be adapted or modified to support students in need of additional support, e.g. students with disabilities and English language learners, in order to meet or exceed state expectations. For example, while differentiation is listed twice as a core criteria for curriculum (pages 15 and 16), differentiation is only specifically referred to in regards to supplemental materials that may be used (e.g., Reading A-Z and RAZ Kids) and no specific examples are provided as to how they will be used.
- It is unclear, based on the narrative, exactly how the proposed curriculum is “innovative,” as stated on page 5, compared to what is offered by the area schools, especially given that at least some of the curriculum resources Athlos will build on is freely available to the public (e.g., the ‘Lucy Calkins’ Units of Study and EngageNY Curriculum Modules referenced on pages 15-17 of the Academic Plan).
- As with most curriculum implementations, schools using resources such as Calkins workshop programs and EngageNY have a mixed track record nationally, with some schools and charter school networks posting extraordinary results while others have performed poorly. Given the lack of academic data for Athlos implementations around the country at the time of the application, it is unclear whether the Athlos-specific implementation of these programs is yielding the desired results. It is not clear from the narrative that the applicant has identified the specific details of successful implementations and has articulated a model which is aligned with those specific practices and strategies. In addition, the explanation of the Calkin’s units of study supporting differentiation through an “If ... Then ...” is perplexing and seems to misunderstand the purpose and design of these units, as they are not designed, out of the box, to support differentiation per se, especially at the student-level.
- The application does not sufficiently differentiate between a formal curriculum and the tools which are listed as “resources” (page 15-20). It is unclear what the teachers will be required to use day-to-day and how those resources will be deployed. For example, one criticism of Lucy Calkins’ Readers Workshop approach is that it does not provide sufficient content and support for vocabulary development, a particular challenge for students in poverty. Based on context, it appears that the Words Their Way program cited on page 17 may be a resource that has been identified to address this criticism, but that is not clear from the text. Moreover, given that students in a Readers Workshop setting are typically expected to select their own books from a classroom library instead of using a common reading text, the need to have a clear plan for implementing these programs in parallel is critical. Based on the narrative, it is unclear, for example, if the instructional approach will involve the explicit instruction of vocabulary separate from the Readers Workshop implementation (e.g. as a separate “spelling” module) or if the approach will somehow differentiate that instruction so that students master vocabulary through scaffolded exposure to a self-selected text.
- It is unclear how the applicant will transition students from K-5 ELA programs such as Lucy Calkins workshop modules to Engage New York as a 6th-8th curriculum (page 17). Consequently, the

reader is unclear if this represents an abrupt shift or if there are plans to map the Lucy Calkins approach onto the Engage New York content in future years.

- A great deal of detail is provided related to the curriculum to be used, but much of it is “edu-speak” and jargon. The narrative lacks the substantial operational details necessary for the reviewer, the general public, future board members, or prospective staff to understand how all of these resources will be deployed. As this is a model for which there is currently limited academic data and few existing implementations, the laundry list approach to the curriculum and instruction narrative raises concerns regarding the coherence of the actual academic plan and to what degree this is a replication of a well-developed school design versus a school that will use the same tools as other schools served by the same EMO.
- The application asserts a correlation between athletics and academics performance correlation (page 21). The data behind this is never made clear although the assumption underpins the entire model. Absent either peer reviewed studies or academic growth data from other states and state performance rankings (A-F/Star system-type school grading, AYP determinations, Meets Expectations determinations, etc.), it is unclear whether this is a valid assumption.
- The metrics for setting grade-level expectations (page 28) in achievement tests and teacher evaluations were not specified. Such metrics and targets are critical to pre-opening planning and are essential to the governing body’s ability to determine whether the school is or is not on track to meet State Authority expectations and earn ongoing operation and renewal.
- The application’s state assessment goals seem arbitrary and demonstrate a possible limited understanding of goal setting and the purposes and types of assessments and their specific educational purposes. For example, the applicant’s response to prompt 2(b) on page 31 indicates state assessment data for the Washoe County school district is not available at the time of submission, yet the applicant sets a target for the subsequent 2017-2018 school year of 85%. While the statewide testing data for 2015 was invalidated for the purpose of school accountability, an examination of reliable 2015 SBAC data from multiple states, multiple years of NAEP data in this and other state and the historic performance of Nevada schools on the old CRT examination would clearly indicate that an 85 percent proficient rate based on tests taken in the first year of operation is not supported by the data, given that that not a single grade level in the State of Connecticut, the highest performing SBAC state on NAEP, had more than 58 percent of students proficient in ELA or more than 48 percent proficient in Mathematics in 2015.
- Based on the current level of performance for schools in Nevada, it is unclear that “performing at or above Washoe County School District” will result in performance in the top quartile statewide.
- It is unclear whether the applicant group has a strong understanding of the state-level implementation of Infinite Campus. There is reference to group does not clearly articulate how they will be using the data in the Infinite Campus – there’s no plan for what they are going to do with the student data to drive achievement (page 34).
- The applicant did not articulate what the metrics will be for progress for performance character (page 32), so it is unclear how the governing body and the public will be able to monitor performance year-over-year and on an ongoing basis. Given this is an essential element of the program, the omission is particularly glaring.

- Similarly, growth increments for subsequent years seem arbitrary and are set at 5% growth rate per year (p32), but do not specify the population being measured. For example, if that is for the whole school year-over-year, for all students enrolled for both the current year and the prior year, or for a consistent cohort year-after-year. The lack of specificity in this area is troubling, as it may result in a lack of alignment between how the school believes it is being measured by the state and how the state will actually measure the school.
- The narrative references the MAP assessment by NWEA under the response for prompt 3(a), which describes how training will be provided to help “teachers to embed the assessments into their instruction” (p32). MAP, however, is an interim/benchmark assessment administered at specific times throughout the year, usually to large groups such as whole school or whole grade. MAP data can inform instruction but the assessment itself is not the formative tool the question seems to be focused on. While there may be some predictive value for MAP in relation to state assessments—although this is debatable given MAP’s confidence intervals—it is not an appropriate tool for determining whether a particular lesson or even a unit was effective as the individual test questions (items) are selected by the computer software based on prior student response instead of being selected by teachers based on what they’ve already taught students. MAP does not sell a product which allows teachers to select from a bank of assessment items based on what they’ve taught, so its value as an imbedded tool to provide feedback on the effectiveness of a lesson or a unit is questionable when compared to assessment products which do offer such item banks for school and teacher use in exit tickets, quizzes, unit tests, or summative examinations (e.g. backwards mapped school-developed interims, final exams, etc.).
- It is unclear what specific tools the school will use to assess student progress in between interim assessments and how the school will use data to identify areas of need: at the classroom level, at the grade level, and across the whole school. The narrative does not sufficiently address how the school will facilitate changes in instruction and student-level supports for areas of concern. Given the limited track record of school performance and the lack of available data to determine whether the program is currently successful as implemented elsewhere, a robust feedback loop and intervention plan is essential.
- The RTI plan described seems functional, but an only cursory response was provided to the specific question in prompt 3 on page 37, which speaks to emerging behavioral issues. There is a great body of research that demonstrates the link between behavioral issues at school and potentially serious underlying issues, such as trauma, domestic abuse, sexual abuse, family instability (i.e., transitional housing), learning disorders and/or mental health issues. Additional detail as to how the school’s plan would seek to identify the presence of one or more of these issues is important to understanding the proposed RTI process.
- At times, e.g. the response to identifying students who may have been over-identified for special education services (p40-41), the narrative regarding at risk students and special populations seem excessively wordy. This hinders a concise understanding of the school’s plan.
- Without having a clear plan for parent engagement, there will be compliance and engagement hurdles for at-risk students (page 38). The applicant did not address what the school’s plans will be to actively seek out children who may have special needs, nor what it would do to engage their parents in an active learning environment.

- The school’s Code of Conduct appears to be a foundational document that will be important in the life of the school, but the responsibility for developing it is left up to the school leader. This position has yet to be filled, deferring development of a critical element of the schools systems until an unknown date. It is unclear how the EMO will support the development of a school Code of Conduct that adheres to both the Athlos Performance Character pillar as well as to established principles of restorative discipline.
- Consequently, important details lack sufficient detail, such as how the school will operationalize its practice of restorative justice, such as for students being readmitted after a suspension or expulsion.
- Given that reducing severe overcrowding is the primary, data-driven rationale for locating the school in South Reno, it is unclear why the applicant has not considered implementing the provisions of NRS 388A.456(1)(a), which provides for giving enrollment preference for students who currently attend overcrowded schools.
- The pagination of some sections is inconsistent, limiting the ability of reviewers to reference specific pages of the document. This, associated with other formatting and spelling issues throughout the document, including the use of AAU as an acronym for ‘Athlos Academy of Reno’ (which seems to be copied from the application submitted for Athlos Academy of Utah), speaks to the need for careful proofreading of any resubmitted application. This is particularly important as the approved application is a public document and will be reviewed up by parents, families, and the general public. Examples: typographical error on page 41 (‘budged’ for ‘budget’).
- The applicant’s response to the third prompt under school culture is unresponsive; as it merely notes that the school will display the performance character traits throughout the school and promote them as a common language. This information does not answer the question asked. “Explain how you will create and implement this culture for students, teachers, administrators, and parents starting from the first day of school. Describe the plan for enculturating students who enter the school mid-year.” For example, no plan is described for onboarding students to the school’s culture when they arrive mid-year due to state-mandated backfilling. Based on past precedent, this can be a significant challenge for schools striving to nurture a very defined school culture.
- There is no student discipline policy outlined yet, other than maintaining a Positive Behavioral Support plan (page 45).
- As a disciplinary strategy, “Sending the student to the office or other assigned area” (page 51) does not work as a behavioral management tactic unless there is a plan for the child and a clear plan for how specific staff will address the misbehavior.
- The school schedules provided lack important details, such as specific time allocations for essential subjects/content areas, instead merely detailing blocks of time as “instructional 1” or “Instructional 2,” etc. (pp. 60-61). This format makes it difficult to confirm the total amount of instructional time.
- The schedule for middle school grades stops at 1:55, with no explanation as to the underlying rationale for a shorter day for middle school students and why it is appropriate for the schedule for middle schoolers to have an hour less of instruction each day (page 61).
- School-specific language is referred to in the daily schedules (i.e., Number Corner math instruction on page 60) that will have to be coached into for new staff members, adding additional time and topics to the extensive staff training agenda established elsewhere in the petition document.

- It is unclear why official school trips and/or other school-sponsored schools-sponsored events are listed as “excused absences.”
- The scenarios narrative (page 63 versus page 61 and 61) does not match up to the schedule included – the Huddle time does not match up, the Athletics is only listed for 30 minutes for Kindergarten (but the narrative is listed as 50 minutes) and the instructional time is not specified in the calendar as it is in the Day in the Life scenarios.
- The applicant does not clearly outline plans to serve the child with Downs Syndrome (Ruby, page 65). The answers are so vague and unresponsive that it is unclear whether the program will meet this student’s academic needs. Stating that not having Ruby’s IEP makes answering the question difficult seems to avoid responding to the prompt, as well as to indicate an inability to describe how the school might respond to several likely scenarios that a student with a severe medical condition and/or impairment might present.
- The data analysis required by scenarios prompt 5(a) is underdeveloped and does not address all of the questions specified in the prompt (pp 66-67). The discussion of additional information needed and a plan for obtaining this information is minimal, as are plans for next steps. The prompt specifies a range of disabilities present in the SWD population for a reason, and this prompt does not address these subgroups or even suggest others that could be studied (such as the performance of students who received Free and Reduced Lunch), whose performance may affect the scores represented here. In addition, while it is good that the application acknowledges the significant drop in SWDs tested, from 23 in 2012 to 14 in 2014, the response does not (a) acknowledge that some students tested may have had their scores invalidated for a variety of reasons or that (b) identify how the school will study the 2012 cohort to determine which students from that cohort were not tested in subsequent years and why. Shifts in tone, e.g. the use of the words “even worse” seems strikingly out of place in a professional analysis of a school’s academic performance (p 66)—especially in a public document.

Essential Question: Will the academic program be a success?

No. Based on the current content of the academic narrative and the lack of academic data to support the argument that the academic plan articulated in the application has been successful in other jurisdictions, there is insufficient evidence to conclude that the academic program is either a proven success or that the plan as articulated in the application will result in future success. Staff believes that these deficiencies can be remedied during a resubmission without material changes to the proposed academic program or basic organizational design of the proposed school.

Basis for consideration following resubmission: Should the applicant choose to resubmit with complete academic data and a revised narrative which refines and aligns the academic program without materially changing it (e.g. by wholesale replacement of curricula, elimination of core elements such as the pillars, etc.), primary consideration will be given to whether the model shows consistently high academic achievement across all geographies, whether the revised academic program is coherent and meets the standards set forth in the rubric, and whether the applicant addresses the other deficiencies identified in the Agency’s formal notice of denial.

Organization

Performance Data

For applicants seeking to replicate an existing model—whether as a direct charter management organization applicant, a committee to form partnering with a non-profit or for-profit education management organization, or a committee to form which seeks to independently replicate, consideration must be given to the organizational track record of the model. For models with a current Nevada presence, the primary criteria will be performance within the Nevada legal and regulatory context. For models which are not currently implemented in Nevada, one significant criteria will be performance within the context of the home state’s legal and regulatory context. Based on a review of the 2015 audited financial statements of Athlos Leadership Academy in Brooklyn Park, MN, the auditor identified one compliance deficiency related to the school’s food service program. A similar deficiency was noted by the auditor of the charter holder for the Athlos International Leadership School of Texas in 2014, along with a deficiency related to the IDEA Part B program. Based on a review of the 2015 Texas audit, both deficiencies were successfully addressed and no other deficiencies were noted. It is important to note that the audit for the Texas client includes both campuses managed by Athlos and campuses which implement other models, so there is no way to determine from the evidence provided whether this prior deficiency was the responsibility of Athlos, the charter holder, or another vendor serving the charter holder. A review of the audits of the company’s second Texas client, the Jubilee Academic Center, revealed no compliance findings. The Agency is unaware of any other organizational deficiencies related to the performance of other Athlos schools.

Performance Conclusion: Based on the information provided, the proposed organizational model has an acceptable track record of organizational performance.

Additional Considerations: The proposed operating plan for the school has a number of identified strengths and weaknesses.

Areas of Strength:

Specific Strengths include:

- The applicant has provided a detailed overview of how they and their associated EMO will approach Human Resources issues, including criteria for an “ideal” Athlos teacher.
- The proposed enrollment plan reflects a strong belief that the proposed Three Pillar model will be attractive to prospective students and their families and demonstrates an awareness of requirements in state law (e.g., SB208). The response also references intent to help families without access to “proper” technology to access the online application.
- The founding governing body is fully formed. It is made up of a diverse and accomplished group of community members with a unified vision and understanding of their mission. Based on the capacity interview, there is a high level of investment and a strong understanding of many key elements of the work ahead.

- The governance section provides a detailed description of the applicant’s approach to board governance and articulates a goal of including a wide variety of members of the local community.
- The applicant specifically references Nevada statutes to which the board will adhere, such as NRS 281A.400.
- During the capacity interview, the applicant group volunteered that they intend to take a planning year to ensure effective operational execution. Given both application review timeline challenges and the realities of facility acquisition, approval, and development in Reno, the 2017 start date initially contemplated in the application presented significant execution challenges.
- The applicant provides a great deal of detail regarding contracted services necessary for school operations, heavily focused on technology acquisition and installation. The narrative also details many of the services to be provided by Athlos Academies, the EMO, related to finding, securing and, if necessary, building/renovating an appropriate facility.
- A facility has not yet been identified, as per the application, but the EMO has listed significant experience in opening and financing schools previously.
- Plans for ongoing operations provide a reasonable degree of detail, especially given that no facility has been obtained as of yet.
- As no property or facility has been obtained, plans provided are minimal, but the applicant has indicated a commitment to work with local agencies as required by NRS 392.620.
- Stated insurance coverages in Attachment 17 seem reasonable and are indicated to meet or exceed Nevada state requirements.

Areas for Improvement:

- There is no leadership team identified. The CTF has identified the component parts, but is not clear on which staff members will be on the Leadership Team once the principal will be hired. Responses are unnecessarily vague and fail to identify how prospective leadership roles will be conducted, even if a specific person has not yet been hired for that position, as was indicated for responses to prompts (4), (5), and (6) on page 2 of Appendix 18-6. A well-developed response would have articulated, at a minimum, provisional steps a person in that role would be expected to follow to clarify that the school’s plan have a high likelihood of success with any new hires. (Attachment 18-6).
- The applicant provided what appears to be a boilerplate job description for a school leader or a small district superintendent. It did not identify specific competencies that they are looking for in a principal (attachment 2-3). Due to this cursory information and the omission of Attachment 4, it is unclear that they have determined what behavioral traits, beliefs, and skills are important to the leader. Based on the information provided, it would be difficult to differentiate between a candidate who will lead a school to excellence and one who will lead a school to mediocrity or persistent underperformance. In contrast to leadership models for the most highly effective schools, far more time appears to be spent on non-instructional tasks than is typically seen in schools which reliably perform at high levels.
- The applicant’s response to Leadership prompts 2, 4, 5, and 6 provide no indication of what will be expected a leadership when a candidate is in fact hired, which will be critical to a school expecting to serve over 1,000 students in Year 1. Responses are unnecessarily vague and fail to identify how

prospective leadership roles will be conducted, even if a specific person has not yet been hired for that position, as was indicated for responses to prompts (4), (5), and (6) on page 2 of Appendix 18-6. A well-developed response would have articulated, at a minimum, provisional steps a person in that role would be expected to follow to clarify that the school's plan have a high likelihood of success with any new hires. (Attachment 18-6)

- In addition, the proposed school leadership plan does not adequately address the significant amount of training a leadership team for a startup school with a projected enrollment in Year 1 of over 1,200 students. Any such leadership will likely need a great deal of direct, on-site support.
- Given that Athlos Academies is an experienced operator of schools that operates a network of schools across the country and given that the support of the EMO and the network will be invaluable to the success of the proposed school, more detail regarding how the specific positions within the EMO that will support the school is critical. The information provided in the staffing section is unresponsive to the question asked. Based on the specific support outlined elsewhere and the fact that the job descriptions for some leadership positions indicate the applicant intends for some school staff to have a direct or dotted line reporting relationship to EMO staff (instead of a relationship where the EMO is effectively a vendor to school staff), information related to the appropriate positions at Athlos Academies is essential.
- Staffing ratios for students with disabilities are listed as “a 1:25 ratio (teachers to qualified students) and paraprofessionals are hired at a 2:1 ratio (paraprofessionals to teachers),” as on page 41 of the Academic Plan, which is out of compliance with the requirements of NAC 388.150.
- It is unclear why there is an increase in staff (sports performance teachers, guidance counselors, special education teachers) in out years if the student counts are not increasing (attachment 18-6).
- It is unclear whether the applicant will be able to recruit and retain the fractional hourly staff identified in the application. For example, the application assumes 3.6 teachers' aides and 9.2-10.2 operations staffers (attachment 18-6). It would be helpful to understand how many individual employees these fractional numbers represent.
- Several of the responses in the staffing section are vague or unresponsive. For example, vendor ADP provides several tools that can serve an HRIS function for schools, but the response does not specify which one. Similarly, staffing prompt 2 specifically requests proposed salary ranges, yet the response does not provide this information. Comments such as “several full days” will be set aside for teacher planning and PD lack the necessary specificity as to when these will occur and how this time will be utilized to efficiently support core school goals (Attachment 18-6).
- The applicant does not identify if it will or will not offer performance pay or similar incentives (page 18-6).
- Although the charter application details at several points how the proposed Three Pillar model can be beneficial to students who struggle, are at-risk of dropping out or who have special needs, no mention of how the school will specifically reach out to these populations, in spite of the specific reference in enrollment prompt (1). Additionally, it is unclear how parents who speak languages other than English will be able to access information related to the school, as there is no indication that the website, marketing materials, forms, or other school publications will be published in Spanish or other languages other than English spoken in Reno and Washoe County. There is no mention of qualified bilingual support staff to interpret or directly answer questions and provide

guidance to PHLOTE families. Similarly, it is unclear how adults with disabilities will be able to access such information in compliance with Section 508 of the Rehabilitation Act.

- The response indicates no variation between Planned Enrollment and Maximum Enrollment; while permissible, this is very ambitious.
- The attached budget calculation spreadsheet projects for enrollment of 1,220 students, with no indication of how the 976 minimum enrollment numbers will allow the school to meet budget requirement (i.e., payroll, debt management, operations, etc.) and remain solvent.
- The projected enrollment of 1,220 is well in excess of the 400 students specified in prompt #4 (Attachment 10-1), which seems to imply a need for greater detail than for a school slated to serve ~400 students, and the response states the school will serve 8 grade levels. (Enrollment is actually projected to be 1,220 students in Year 1.) Given the ambitious timeline, it is perplexing that the applicant team did not provide evidence to indicate that any level of community engagement or evaluation of interest has started, as this school would be the largest single charter school opening in the history of Nevada and it is in a community where charter schools are far less prevalent than in the Las Vegas valley.
- The school actually plans to serve nine (9) grade levels, 1st through 8th as well as Kindergarten, each with its own unique needs, staffing requirements, and resources needed, whereas the response indicate it will serve only 8 grades. (Attachment 10-1). It appears that this is an artifact from an application in another state or a typographical error.
- While the founding governing body is a diverse and accomplished group of community members with a unified vision and understanding of their mission and a clear commitment to the work ahead, the inconsistent quality and coherence of the initial charter application document does not back up those strengths as well as it should. For example, the drafter misidentified the reference to the attached PDF of governance bylaws under prompt 2 of the governance section.
- The operational execution plan does not contemplate any concrete plan for the leadership development of the principal during the incubation year. Given the applicant group's particularly strong endorsement of the Athlos school culture observed in other jurisdictions during the capacity interview and the level of interest in relocation to Reno from existing Athlos schools that was discussed during that meeting, it is unclear why the applicant is not actively recruiting from the existing pool of emerging Athlos leaders who have deep familiarity with the program and the culture versus taking the risk of recruiting a local leader or someone identified from a national search whose level of subscription and expertise in the model is unproven.
- The proposed management contract is not a final negotiated version which complies with Nevada law. The document appears to be a boilerplate agreement, as there is limited evidence that the EMO has taken into account the issues raised during a previous application denial. For example, the contract fails to comply with multiple provisions of NAC 386.405, which requires that the initial term of a management agreement can be no more than two years.
- The contract fails to identify the appropriate sponsor, referencing a nonexistent entity, the Nevada Board of Elementary and Secondary Education. The equivalent entity in Nevada does not have statutory authority to sponsor charter schools.
- The confidentiality provision appears inconsistent with the Open Meeting Law and laws related to public records. As there is no authority under statute for the governing body of a charter school to

enter into a confidential contract or to discuss or vote on a contract behind closed doors, it appears that this provision is in conflict with Nevada law. While the contract provision states that the school “shall not disclose the terms contained herein except as required law” (sic), the inclusion of a requirement which appears unenforceable on its face in a negotiated agreement is highly questionable, as it would place a public entity in the position of incurring legal costs to defend itself against a civil action based on performing its legal obligations under Nevada law. Similarly, it is unclear, under the proposed terms, if the school would be liable for the individual statements or actions of a member of the governing body—a public officer—during or outside of a public meeting.

- The application states that “[e]ach local Governing Board that partners with Athlos Academies evaluates the EMO at least bi-annually (Operations Plan, page 11). This is inconsistent with NAC 386.405(5), which requires annual evaluation of an EMO by a governing body. It appears that this application language is drawn from applications filed for other Athlos client schools and was not developed to meet the expectations of Nevada law.
- Little clarification is given as to what steps may take place as the result of a negative evaluation of the EMO by the Board, especially given the fact that the school will be in debt to the EMO as the result of startup funds provided in the founding year, which has the potential of complicating honest feedback and assessment by the Board.
- The fee structure is not consistent with other information in the contract as those sections are blank.
- The proposed contract specifies several instances in which the contract may be terminated by the EMO, such as from the school’s inability to pay contracted fees on time, which could happen if enrollment falls below projections, at which point the school would have 90 days to remove all proprietary items (i.e., branding, curriculum resources, etc.). This would appear to be a violation of NRS 388A.393(1)(f), which prohibits a vendor from requiring the charter school or proposed charter school to enroll a minimum number of pupils for the continuation of the contract between the charter school or proposed charter school and the contractor or educational management organization.
- Materials submitted do not specify the proposed Service Fee paid by school to the EMO, as a percentage of the school’s local, state and federal gross revenue.
- The language related to the undisclosed Service Fee states that it will be based on a percentage “of local, state and federal gross revenues.” Nevada charter schools are not their own local education agencies and they are not eligible to receive funding for administrative costs or to receive an indirect rate. Indeed, the Authority itself does not have an approved indirect rate and its legislatively approved budget—including its federal funds budget—contains no provision for any administrative costs. Charter schools are sub-grantees of their respective sponsors and receive their funding on a reimbursement basis based on the submission of original source documentation of approved direct service expenses. Neither the Authority nor the Department of Education will approve any federal grant application which budgets for payment of a management fee to an educational management organization.
- State categorical grant programs (e.g. Read by Three, SB 405 ELL funding, etc.) prohibit schools and districts from covering any administrative costs with grant funding. Consequently, federal funding

and state categorical grant funds should be excluded from the fee calculation as any fees assessed for those revenues would effectively supplant base per-pupil funding for funds intended to supplement the core program.

- The school's ability to repay the EMO and cover Year 1 expenses is heavily dependent upon school meeting enrollment targets, with debt to EMO seeming to hold a senior position over debt to other services providers. NRS 388A.393(1)(d) prohibits any provision of a management agreement which requires the charter school or proposed charter school to pay the contractor or educational management organization before the payment of other obligations of the charter school or proposed charter school during a period of financial distress.
- In addition, terms of the proposed contract, especially as for maintenance of records in Section 8, seems to lack clarity as to who is responsible for which actions. With the school liable for any material breach of the contract, this seems to put the school at a disadvantage.
- Contract seems to be boilerplate as has been used with other Athlos Academies contracted schools with minor to no modifications, which seems to match the IRS definition of not having been negotiated between independent parties.
- School and founding board needs a strong plan for what would be the response should the EMO relationship be terminated by either party, especially during a school year, given that so much of the materials to be used or owned and would be returned to the EMO at such a point.
- The business relationship with the EMO seems somewhat skewed in the vendor's favor. For example, the termination clause does not provide much time listed for the governing body to refinance any EMO debt if the relationship turns sour. Similarly, there is limited time allotted for the charter school to seek any necessary amendments to the charter contract prompted by the termination of the management agreement.
- Start-up expenses incurred by the proposed school and to be paid for through funds lent by the EMO are not clearly represented in the narrative and budget calculations (see lines 19 & 20 of the budget spreadsheet, tab 4 for 'Budget Summary'). It is unclear how the presence of founding year funding through a Promissory Note with the EMO will affect the school's finances going forward. The application does not make clear how much additional interest will be paid by the school to the EMO for this startup funding and at what rate.
- The contract contains a post-termination provision which prohibits the school from offering a program which incorporates or attempts to incorporate any program "which is similar or deceptively similar to Athlos Academies, and its educational programs centered around performance character, fitness and wellness, including programs provided by Outside Vendors," any termination of the contract could result in the need for the school to seek a material amendment to its charter contract to completely eliminate critical elements of its academic program with no opportunity to make a non-material change to its academic program through the substitution an equivalent program for the intellectual property of the vendor. While it is understandable and appropriate that the vendor has the rights to enforce its authority over its own intellectual property, this provision appears overly broad. Given the provisions of NRS 388A.393(1)(q), this provision of the contract would appear to provide that these provisions of the management contract supersede those of the governing charter contract. As currently constructed, this is impermissible under Nevada law.

- The school leader is scheduled to be hired following award of the charter on a “nearly full-time” basis, with conditions given, but no indication is given of whether funding is available to hire this person full-time immediately provided they are available.
- A blanket statement is given that no conflicts of interest exist between the school, Board and EMO, and goes further to state “or any other entity,” which precludes the possibility that the school may seek to contract with service providers other than Athlos Academies.
- The contract contains a provision which requires the school to pay for a duplicative student information system (PowerSchool). Given the requirement that all Nevada public schools utilize Infinite Campus as the student information system of record, it is unclear what benefit there is to the school to reimburse the EMO for an additional system, especially given the potential complications associated with maintaining multiple pupil accounting systems and ensuring that the accountability reporting data is matched up between two systems for which there is limited ability to synchronize information due to database configuration, security, and privacy considerations. To the degree that this system is maintained for the convenience of the vendor to facilitate its services the school, it would arguably be classified as an indirect cost of the vendor which cannot be paid for with Nevada funds.
- Minimal description is provided as to how fair costs were determined for each of the many services detailed, such as through a transparent analysis of multiple bids. It is not clear that equivalent rates are available in Nevada. Several items were described as having been identified when a vendor submitted information to the EMO, such as for a firewall device (p. 14).
- Full responsibility for building management and maintenance devolves to the school leader upon completion of the facility, which adds a great deal of non-instructional responsibility to someone who may be a new school leader.
- Significant technology-related expenses will not result in any “end user student devices” for classroom use (i.e. tablets, Chromebooks, etc), other than two fully function computer labs and two mobile computing carts of Chromebooks to be used for testing. (Operations Plan page 15). Based on the experience of other Nevada charter schools, this ratio of devices may not be sufficient to meet testing and other state-mandated tech-based requirements without significant disruption to instruction and school operations.
- Minimal details regarding a facilities plan were provided. While the applicant has indicated it intends to postpone opening from 2017-18 to the 2018-19 school year, past and even recent precedent regarding the pace of municipal review and the possibility that variances and other approvals may be denied may argue for the applicant to request that any approved contract include a provision allowing for an extension to 2019-20 in the event there are unforeseen delays.
- Minimal information is provided as to relative costs that can be anticipated, such as purchase of land or construction, such as comparables for land of a similar square footage in the target area or comparable costs for similar charter and school district construction projects.
- It is unclear that the CTF has done any due diligence with schools identified by the EMO as successful development partnerships, whether any feedback received has been consistently positive, or if any concerns been raised that may impact the proposed school. Given the boilerplate nature of the proposed management contract, it is likely confidentiality provisions similar to those in that agreement may exist in the contracts or other possible legal documents (e.g. settlement

agreements) of current or former clients of the EMO or its affiliates. To ensure that the applicant is receiving complete and accurate information from current and former clients, it would be advisable for the applicant to confirm the existence of any such provisions with the EMO and request a limited waiver of them to ensure that the applicant can receive candid and accurate information from current and past clients regarding any previous issues.

- No facility has been identified or obtained, so necessary planning is minimal. A well developed response to the Ongoing Operations response would have described essential elements and procedures that have proven successful in other Athlos schools.

Essential Question: Will the school be an effective and accountable organization?

No. While the organizational plan as presented in the application has a number of important strengths, there are also a number of significant deficiencies which preclude an approval recommendation for full or conditional approval at this time. Staff believes that these deficiencies can be remedied during a resubmission without material changes to the proposed academic program or basic organizational design of the proposed school.

Basis for consideration following resubmission: Should the applicant choose to resubmit with complete academic data and a revised narrative which refines and aligns the academic program and organizational plan without materially changing it (e.g. by wholesale replacement of curricula, elimination of core elements such as the pillars, etc.), primary consideration will be given to whether the model shows consistently high academic achievement across all geographies, whether the revised academic program and organizational plan are coherent and meets the standards set forth in the rubric, and whether the applicant addresses the other deficiencies identified in the Agency's formal notice of denial.

Fiscal

The applicant budget is designed primarily as a performance task to evaluate the applicant's ability to design a budget which accurately reflects the Nevada context, contains reasonable expense assumptions which are correctly calculated, and incorporates the personnel and operating costs specific to the academic model. While many of these assumptions and priorities will serve as the basis for the operating budget adopted by the governing body, is not intended to contractually bind the applicant to a specific set of revenues or expenditures.

Performance Data

For applicants seeking to replicate an existing model—whether as a direct charter management organization applicant, a committee to form partnering with a non-profit or for-profit education management organization, or a committee to form which seeks to independently replicate, consideration must be given to the financial track record of the model. For models with a current Nevada presence, the primary criteria will be performance within the Nevada legal and regulatory context. For models which are not currently implemented in Nevada, the criteria will be performance within the context of the home state's legal and regulatory context.

The applicant provided financial data, including audited financial statements, for other schools implementing the academic program and for other schools which receive financial management services from the applicant's chosen education management organization.

Three years of audit results were furnished for each of the clients implementing the Athlos model, with the most recent audits being those completed in the fall of 2015. Other than the organizational items noted in the previous section, no material issues were noted.

As noted by the applicant, each of the schools audit treatments changed due to the issuance of GASB 68, which requires a new method of reflecting the pension obligations of public entities. As is the case with many Nevada charter schools, this new treatment had a negative impact on the fund balances of these schools due to the requirement that pension obligations, including those obligations which are actually the responsibility of a third party such as PERS, must be reflected in the financial statements.

Conclusion: The proposed financial model has been implemented successfully in the two states where it operated in 2014-15 and prior years.

Areas of Strength:

- The proposed financial plan considers a wide range of anticipated costs and states that budget assumptions are based on conservative estimates where possible, such as for the expected per-pupil revenue of \$6,855 (see Attachment 18 page 1).

- The charter application details changes that can be made to budget assumptions in the event that actual revenues are less than projected (see Attachment 18).

Areas of Weakness:

- While the applicant identifies a perceived flaw in the budget template, earlier development of the application budget and budget narrative would have allowed the applicant to contact the Authority for clarification or insight into how to address the perceived flaw. More proactive budget development might also have allowed the applicant to find a creative way to address the challenge identified in the narrative.
- Recruiting and retaining qualified staff is a significant challenge for most schools, and especially for startups, even before considerations of projected school size of 1,220 in initial startup year. It is unclear from the narrative how the salary assumptions compare with those of the local school district and whether those assumptions are realistic. For example, even a 5% increase in average salaries would be significant, leading to an average teacher's salary of \$44,100, leading to an increase in salary/benefits costs of approximately \$152,000, which would leave the school with a projected negative fund balance at end of Year 1 of approximately \$95,000.
- An analysis of 'School Inputs' indicates an average starting salary of \$42,000 for all teaching categories with the exception of the 6 teachers specified for Grades 1 & 2, which indicate an average salary of \$49,000 for these two grades. (lines 151 and 152). The rationale for this inconsistency is unclear.
- A review of FTE calculations in the budget spreadsheet suggests an FTE tally in Year 1 of 78, whereas the budget narrative in Attachment 18 lists an FTE in Year 1 of 73.8.
- The proposed budget calculations do not indicate when and at what rate the school will be obligated to repay salaries for staff in founding year that were lent to school by the EMO, as in the Operations Plan (pp 9-10). This is noted in the proposal in Attachment 18, but could impact school's overall financial stability in ways difficult to identify based on the presented budget calculations.
- It is unclear why staffing levels indicated in Attachment 18 and on the budget spreadsheet increase in later years while enrollment levels are projected at a constant 1,220. For example, the school indicates a need for four Sports Performance Coaches (SPCs) in Year 1, with an additional 2 hired in the following year and a 7th SPC to be hired in Year 3 (2019-2020): An additional SPC position is scheduled to be filled in Year 5 (2020-2021), for a total of 8 by Year 5.
- It is unclear if the school has a plan to modify projected staffing levels, such as for a total of 8 SPCs by Year 5, in response to needs in other areas, such as for reading specialists to support struggling readers in primary years.
- It is unclear what the plan is for repayment of the founding year Line of Credit from the EMO, and what the projected total cost, including interest, will be for access to these funds.

Essential Question: Will the school be fiscally viable.

Yes. The track record of previous implementations appears to meet expectations and the budget and financial plan approaches expectations. Absent the deficiencies noted in the previous sections, staff would

have been comfortable recommending this application for conditional approval, predicated on the requirement that the applicant address the weaknesses identified above.

Basis for consideration following resubmission: Should the applicant choose to resubmit with complete academic data and a revised narrative which refines and aligns the academic program and organizational plan without materially changing it (e.g. by wholesale replacement of curricula, elimination of core elements such as the pillars, etc.), primary consideration will be given to whether the model shows consistently high academic achievement across all geographies and whether the revised academic program and organizational plan are coherent and meets the standards set forth in the rubric. Reconsideration of the financial plan will also entail a review of the fiscal impact of any academic or organizational changes, whether those financial plan revisions are coherent and meet the standards set forth in the rubric, , and whether the applicant addresses the other deficiencies identified in the Agency's formal notice of denial.