

EXHIBIT AG

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STATE PUBLIC CHARTER SCHOOL AUTHORITY

2016 – 2017 Agency Overview

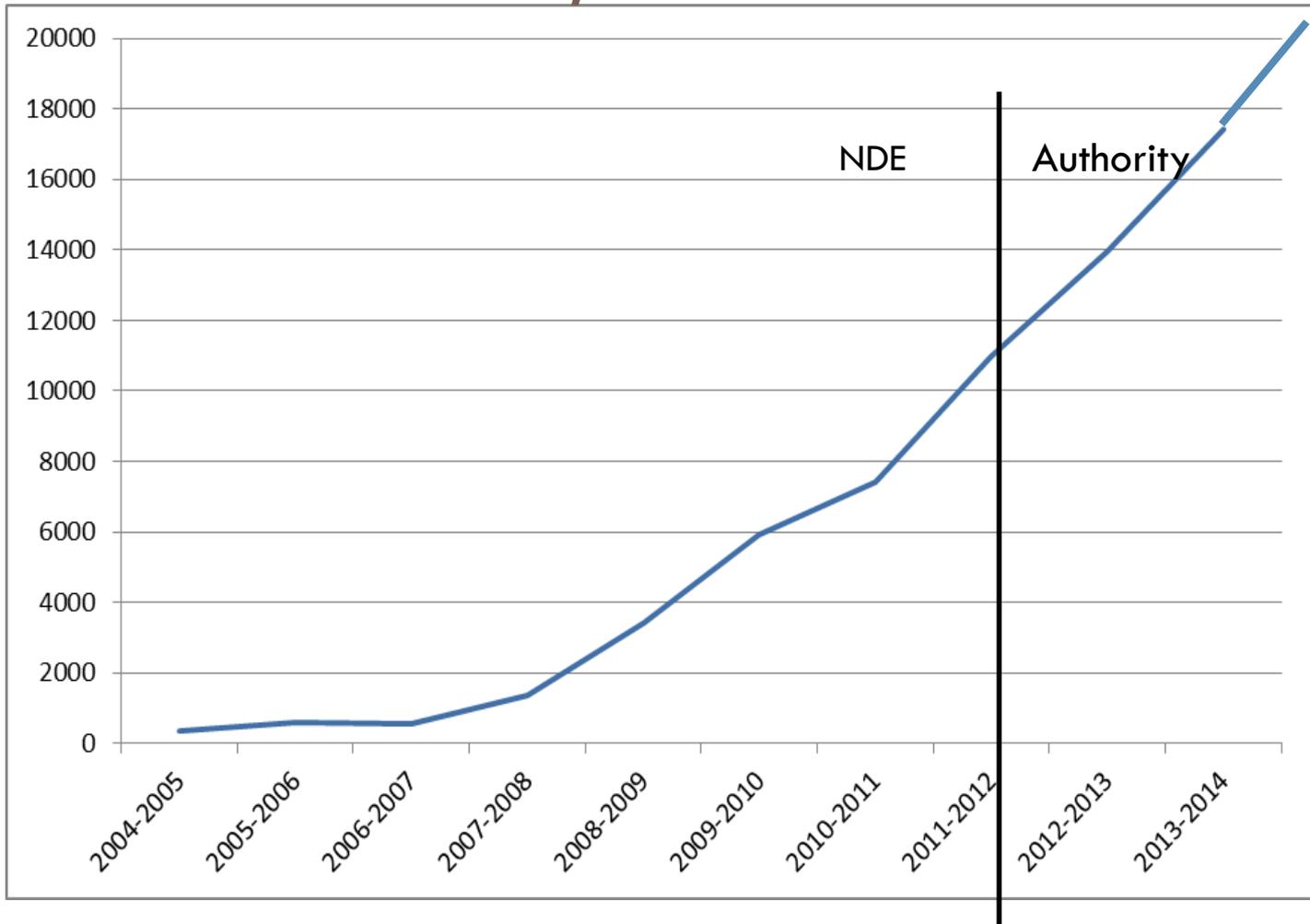


The First Four Years

Charter Authority: Statutory Base

- ▣ Transfer SBE/NDE Authority and Schools (2011 session)
- ▣ Purpose (NRS 386.509)
 - Authorize high-quality charter schools;
 - Provide oversight, ensure schools maintain high standards, preserve autonomy, and protect public interests; and
 - Serve as a model of best practices
 - Required to align policies with national best practice
- ▣ October 2011 office established, January 2012 Seven Member Appointed Board Seated
 - 2 Gubernatorial appointees
 - 2 Speaker of Assembly appointees
 - 2 Senate Majority Leader appointees
 - 1 Charter School Association of Nevada appointee
- ▣ Deemed a Local Education Agency 2013 (NRS 386.5135)
 - State-sponsored charters were previously ineligible for federal funds
 - Schools still do not receive allocated special ed monies that go to districts

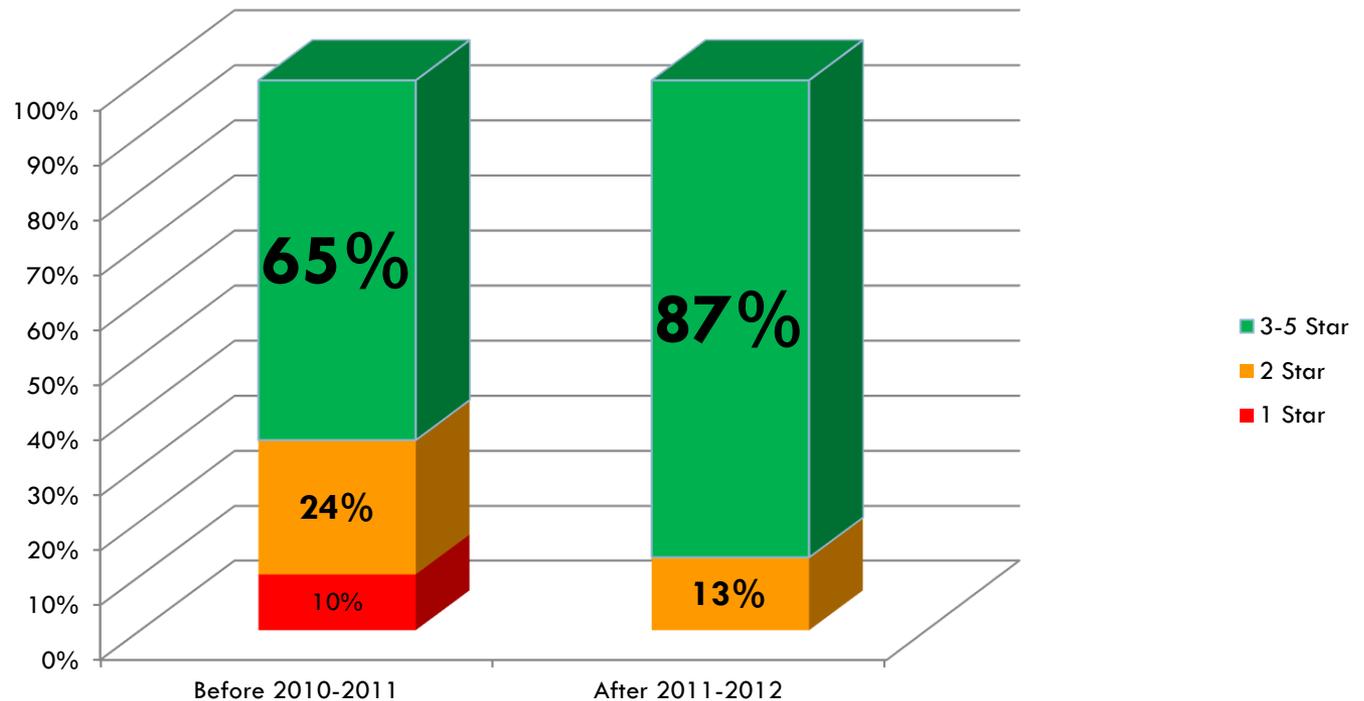
2004-14 NDE/SPCSA Enrollment



■ SPCSA Portfolio is Nevada's Third Largest Public School System

Student Achievement: Progress

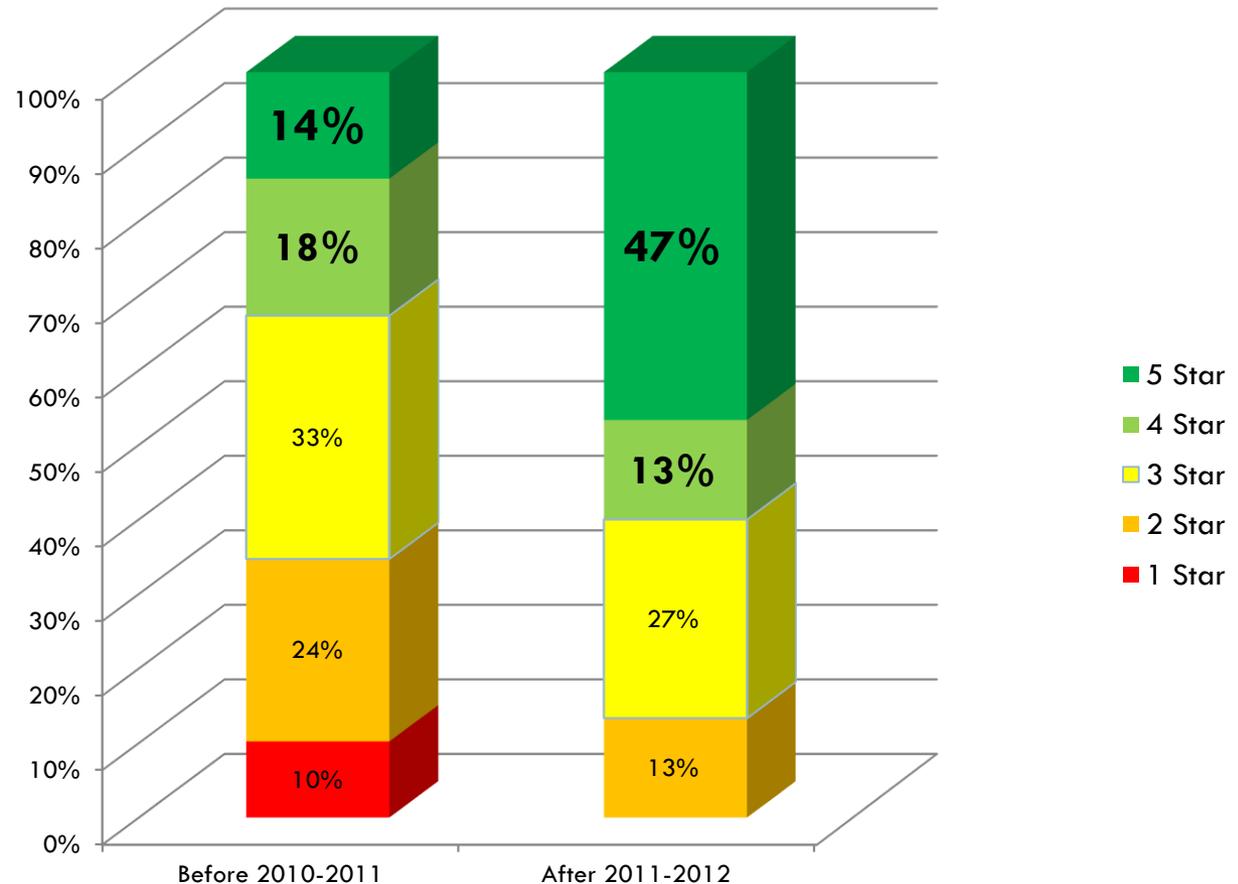
- SPCSA Schools Chartered After Creation of SPCSA in 2011 Outperform Older District & State-Sponsored Schools at 3-5 Star Levels*



* Divides all charter schools statewide into elementary, middle, and high school programs—consistent with NSPF

Student Achievement: Progress

- By Star Level:
SPCSA Schools
Chartered
After Creation
of SPCSA in
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Outperform
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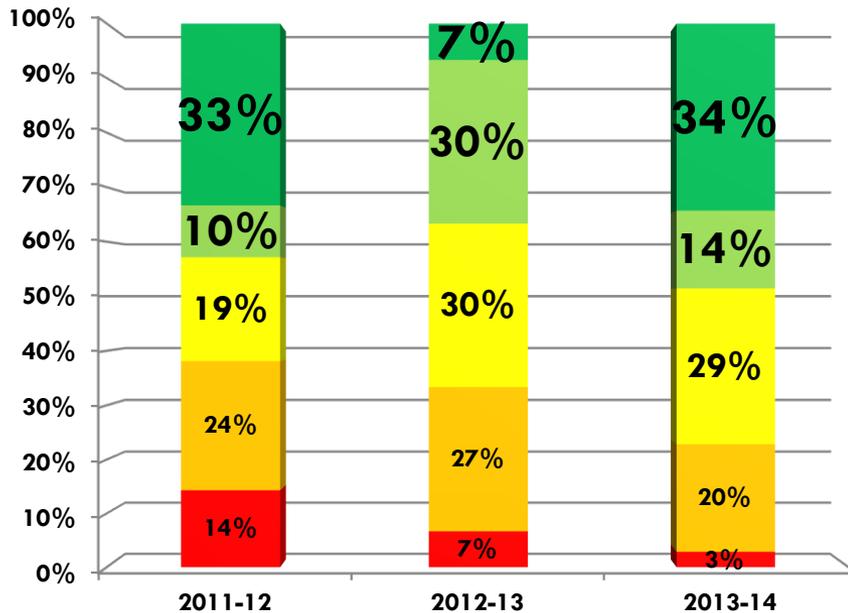


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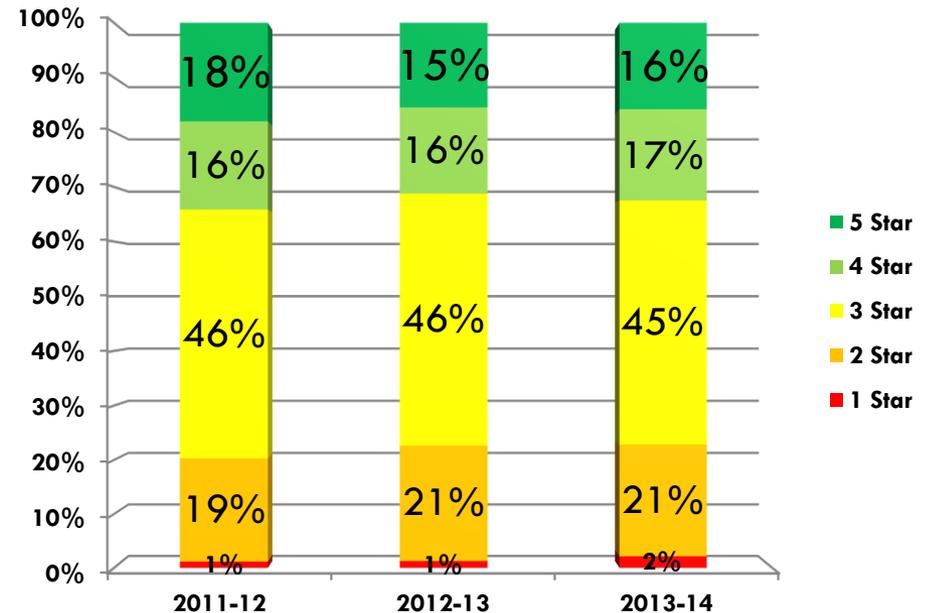
Student Achievement: Progress

- ▣ Growth in 4 & 5 Star Schools vs. State
- ▣ Decrease in 1 & 2 Star Schools vs. State

Change in Star Status
All SPCSA Schools (2011-2014)



Change in Star Status
All NV Public Schools (2011-2014)

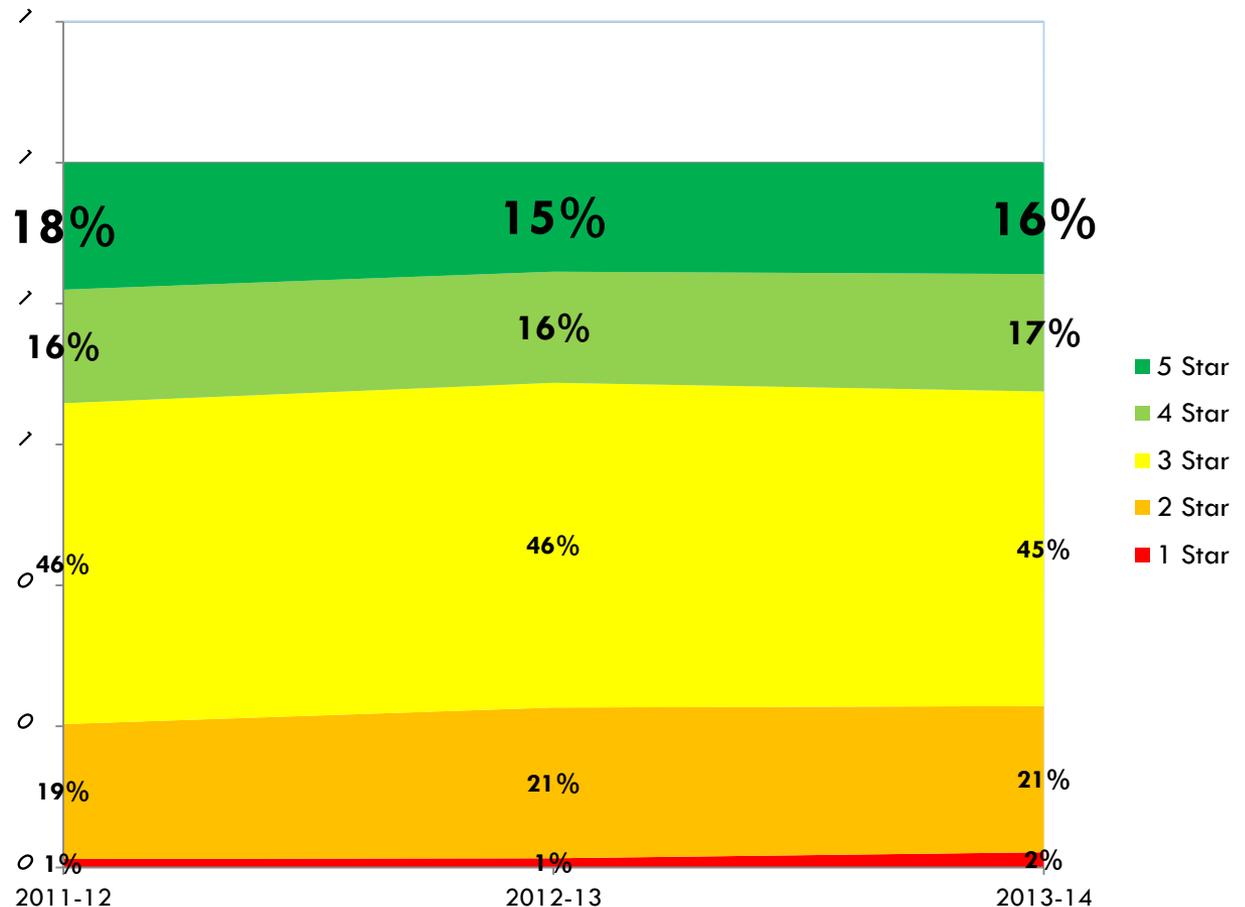


* Divides schools into elementary, middle, and high school programs—consistent with NSPF

Statewide Context

- Percentage of students served by schools at each star level has remained relatively flat across all public schools

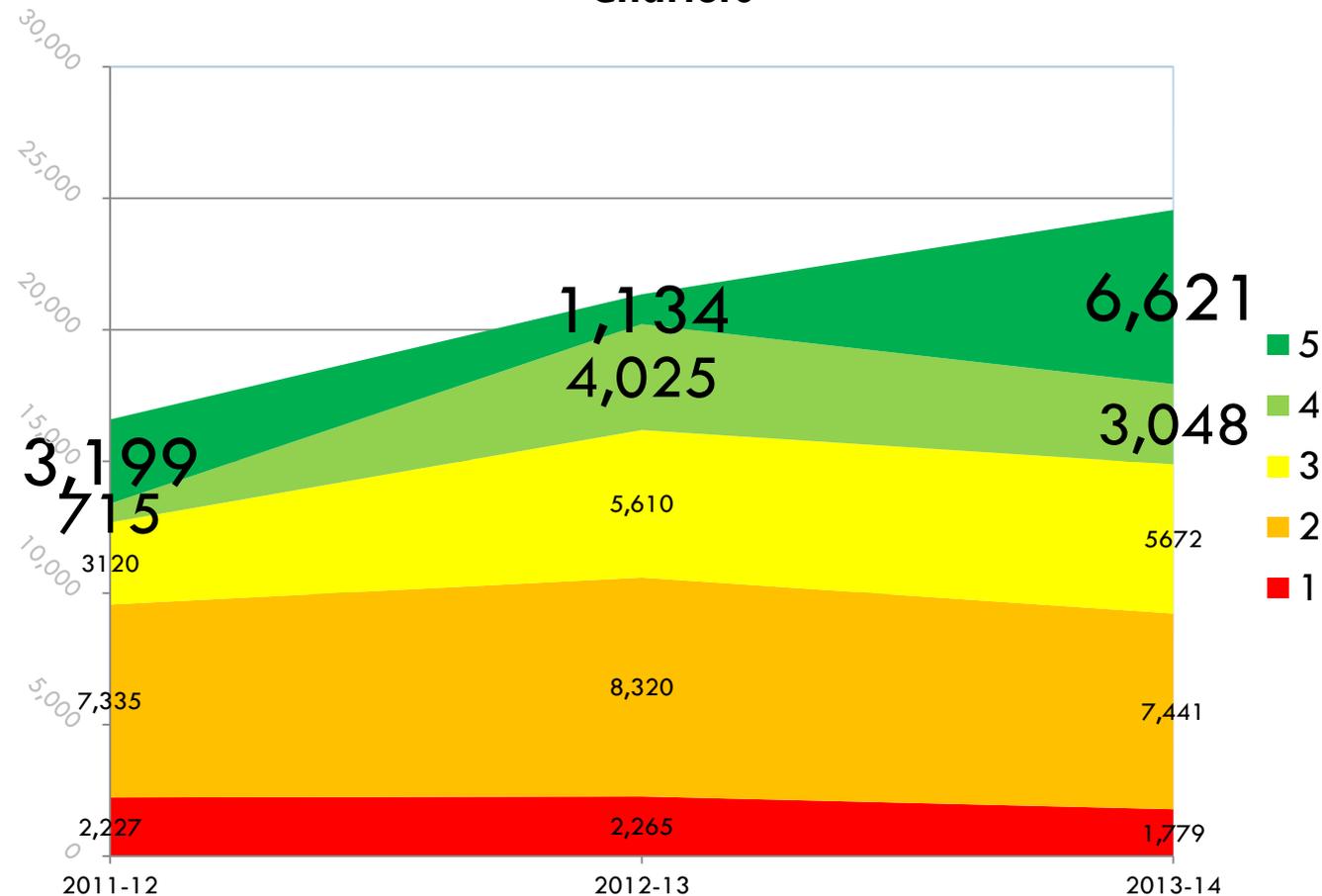
Growth in Students Served at Each Star Rating--
All NV Public Schools



Growth in Quality Seats: All Charters

- Number of students served by 4 & 5 star charter schools statewide grew 147% from 2011-2014

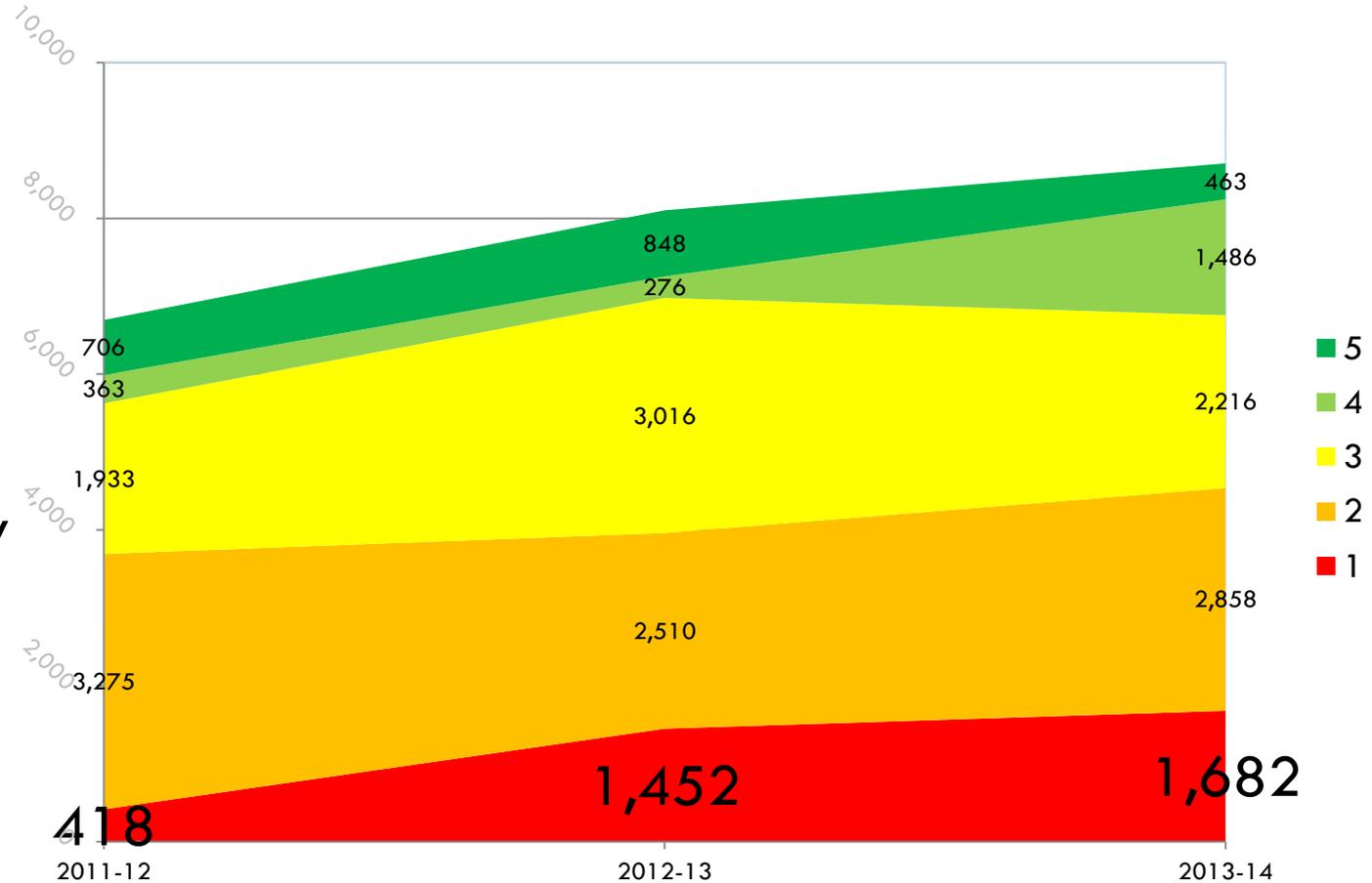
Growth in Students Served at Each Star Rating--All Charters



Growth in Quality Seats: District Charters

- Number of students served by 4 & 5 star district charter schools grew 82% from 2011-2014

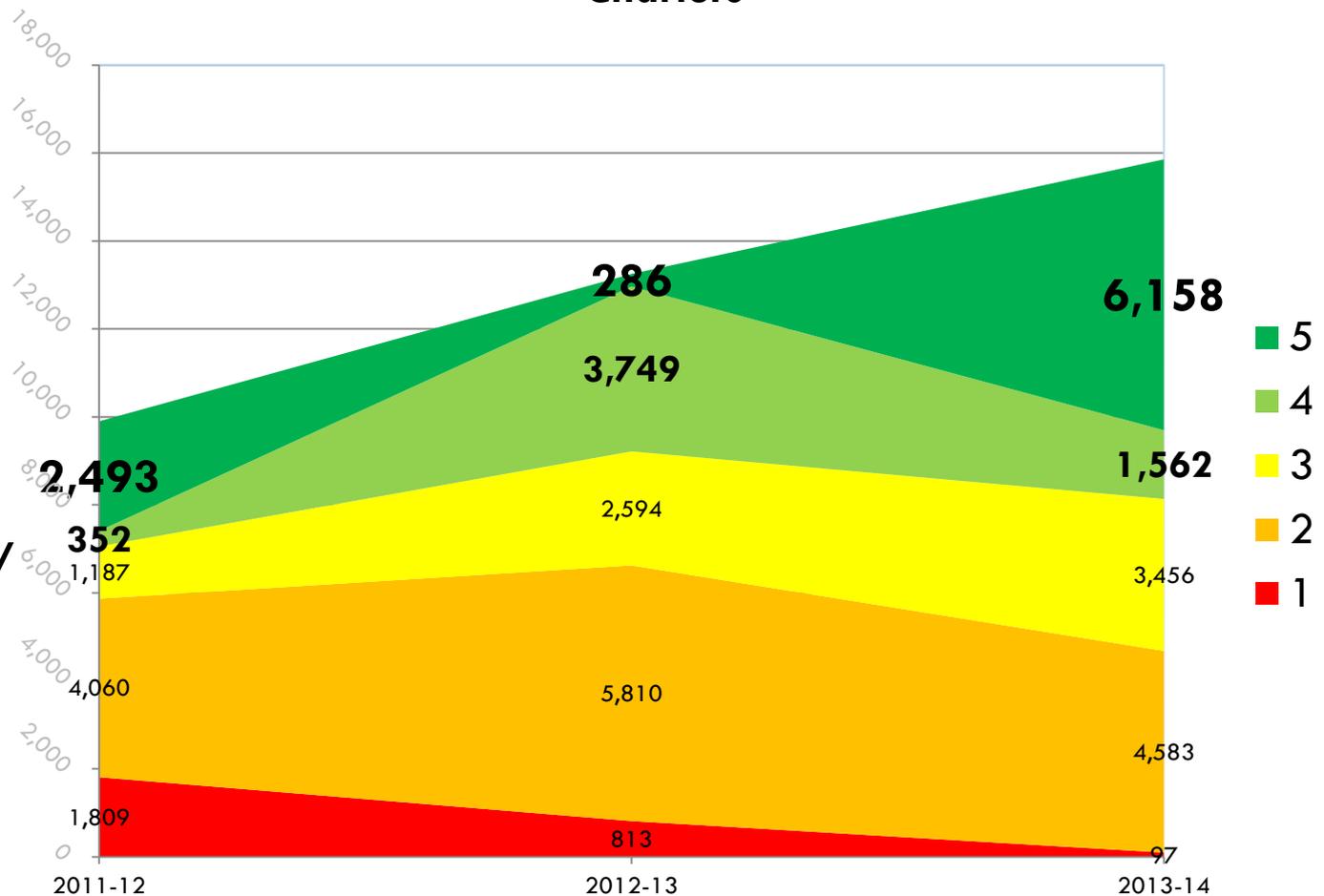
Growth in Students Served at Each Star Rating--District Charters



Growth in Quality Seats: SPCSA Charters

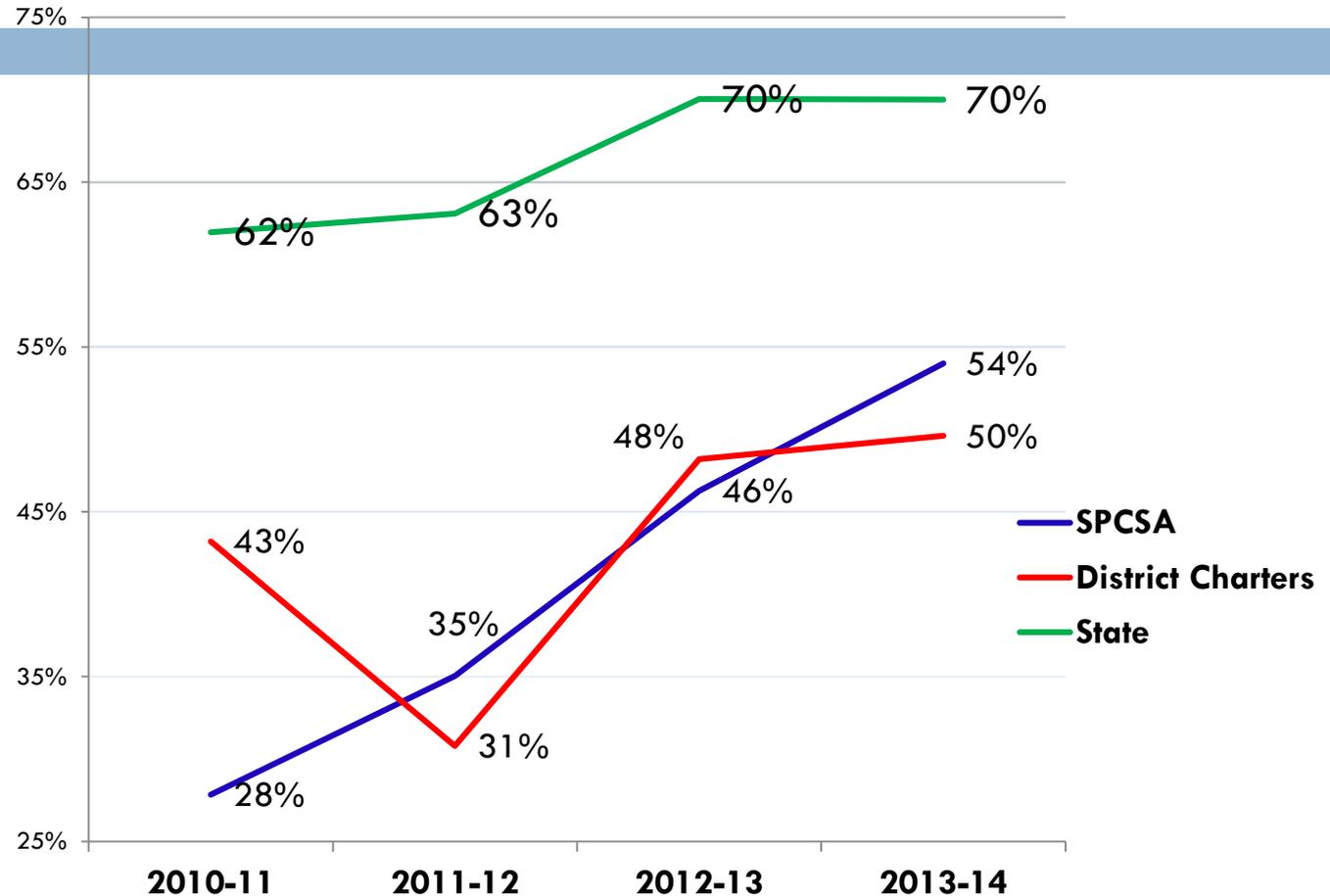
□ Number of students served by 4 & 5 star SPCSA charter schools grew 171% from 2011-2014

Growth in Students Served at Each Star Rating--SPCSA Charters



Increased Graduation Rates

- SPCSA charter graduation rates have increased 26 points vs. 7 points for district charters* & 8 points statewide



* Preliminary district charter data

	2010-11	2011-12	2012-13	2013-14
SPCSA	28%	35%	46%	54%
District Charters	43%	31%	48%	50%
State	62%	63%	70%	70%

Why The Difference?

- 2011 Legislation made other changes
 - ▣ Emphasis begins to shift from technical compliance to quality
 - ▣ Aligned many, but not all, elements of application process to best-in-class practices nationally
 - ▣ Essential Question: Will this school be an academic, organizational, & financial success?
 - ▣ Applicants are evaluated based on their **capacity** to execute the program they've proposed
 - Does the proposed board have the capacity to oversee all three elements?
 - Do proposed staff have the capacity to implement the program?
 - Does the proposed model and any EMO have a strong track record of success in all three areas?

2013 Statutory Changes: AB205

- From 1997 to 2013, charter school accountability was based not on the statewide accountability system but on the promises made in the charter application
 - Less rigorous, compliance oriented process resulted in less accountable schools—the charter contracts were impossible to enforce
- Automatic Closure-begins with Fall 2013-14 school year (NRS 386.5351)
- Charter Agreement and Performance Framework Provisions
 - Clear metrics for school performance above and beyond NSPF

Automatic Closure

- Adopted in 2013 via AB205--requires automatic closure in the case of 3 consecutive years of lowest possible rating on statewide system of accountability (Star system)
- Sets a minimum floor for performance statewide
- First year measured: 2013-14
- Challenges
 - 2014-15 is likely to be a “pause” in statewide accountability due to new testing program
 - While some legacy schools have embraced accountability, others struggle to change and need more support (e.g. governance training)

Performance Framework: Elements

- ▣ Statute replaced old, less accountable written charter with new charter contract incorporating performance framework for all new and renewal schools
- ▣ Answers Essential Questions in Three Domains

Academic

- Is the academic program a success?

Financial

- Is the school financially viable?

Organizational

- Is the organization effective and well-run?

- ▣ Builds on NDE sources and publicly available data
- ▣ Used to inform replication, expansion, renewal, and closure decisions
- ▣ Embedded in all new and renewal contracts since '13 (currently 11/22 schools)
- ▣ Three tiers of intervention: Notices of Concern->Breach->Closure

Performance Framework: Results

- Two schools are currently in breach due to academic performance based on data reported since the end of the 2013 legislative session
 - ▣ Schools must take corrective actions and improve performance to avoid Notice of Closure
- Two schools are in breach due to organizational performance based on data reported since the 2013 legislative session
 - ▣ Schools must take comply with Authority interventions and investigation, take corrective actions, and improve performance to avoid Notice of Closure

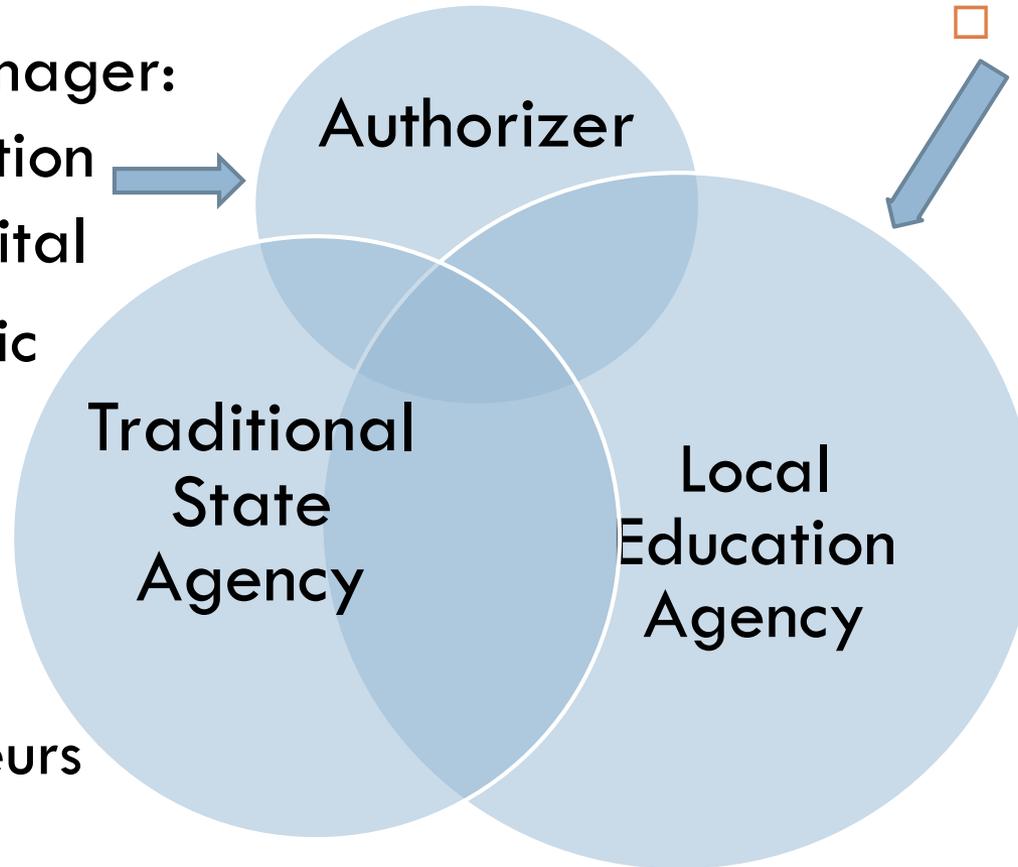


The SPCSA Today

One Agency: Multiple Roles

- Portfolio Manager:
Public Education
Venture Capital

- Invest public funds and entrust NV children to education entrepreneurs



- 3rd Largest
“District”

- Provide all NDE/USDOE-mandated support and oversight to schools

Who We Are

- 10 FTE Staff (Estimated Allocation)
 - ▣ 4 Special Education, Federal Programs, and Assessment Management Staff & 1 Technology Support Position (90% LEA—Core School Support Functions/10% Authorizing)
 - ▣ 1 ASO II (80% Agency--Finance/Purchasing/10% LEA/10% Authorizing)
 - ▣ 2 Management Analysts (40% Fiscal/40% LEA/20% Authorizing)
 - ▣ 1 Admin Assistant (60% Agency/20% LEA /20% Agency Functions)
 - ▣ 1 Director (60% Authorizing/20% LEA/20% Agency Functions)



The Next Four Years

Student Population: Challenge

▣ Vast Majority of Portfolio & Growth is in Clark County Suburbs

- Low Income Population 25 Points Less Than State & 29 Less Than Clark

- Black & Hispanic Population 24 Points Less Than State & 31 Less Than Clark

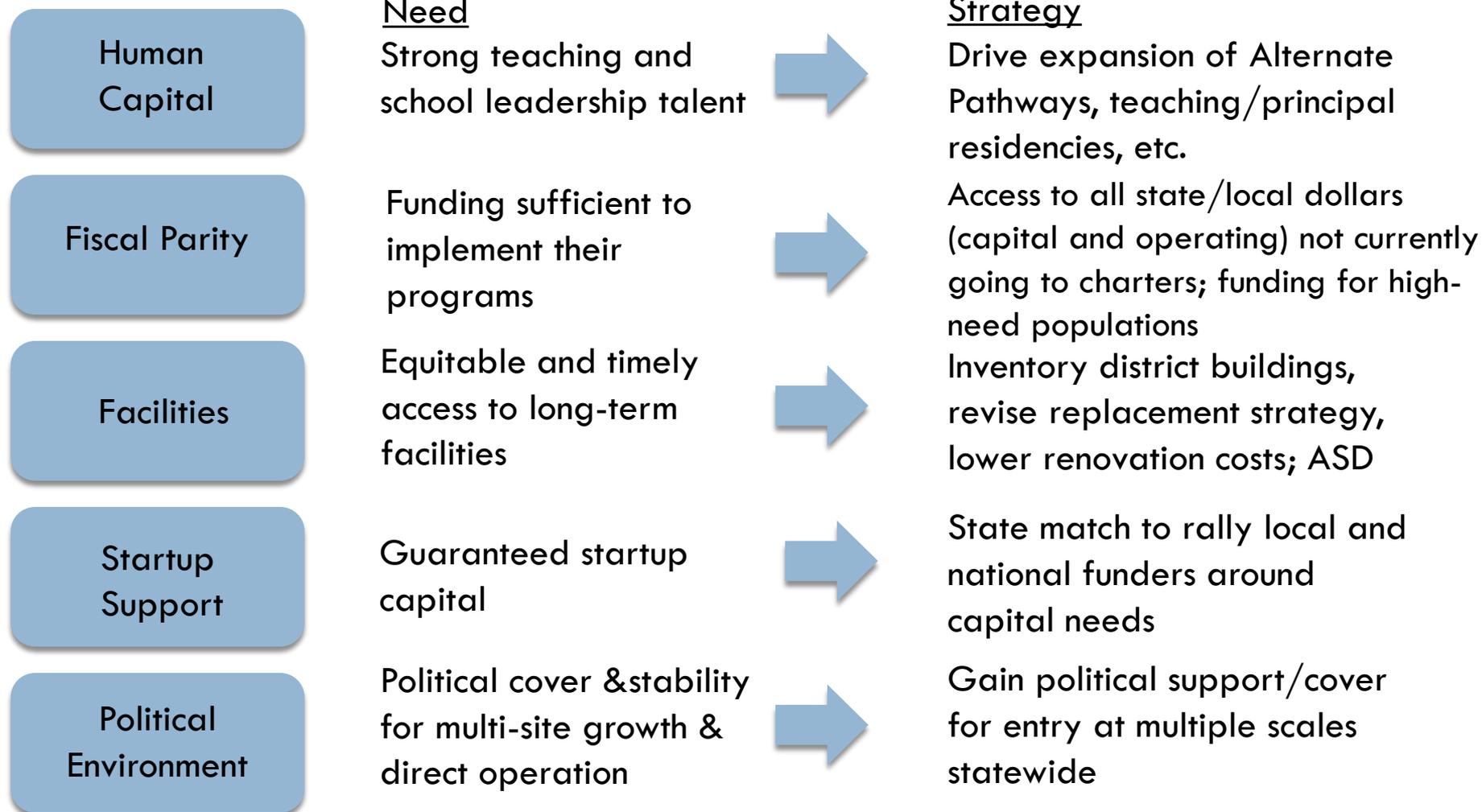
	Ethnicity						
	Am In/AK Native %	Asian %	Hispanic %	Black %	White %	Pacific Islander %	Two or More Races %
2010-11	1.31%	5.98%	15.64%	8.58%	62.74%	1.21%	4.55%
2011-12	1.32%	5.70%	14.84%	9.65%	63.65%	1.69%	3.15%
2012-13	1.50%	5.99%	14.72%	9.93%	63.25%	2.09%	2.53%
2013-14	1.35%	6.08%	16.11%	9.40%	61.61%	2.07%	3.38%
State 2013-14	1.06%	5.59%	40.56%	9.92%	35.98%	1.33%	5.57%

	Special Populations					
	Special Education		ELL		Free/Reduced Lunch	
	#	%	#	%	#	%
2010-11	529	7.01%	32	0.42%	849	11.25%
2011-12	465	4.19%	30	0.27%	1,682	15.16%
2012-13	713	5.12%	93	0.67%	2,908	20.87%
2013-14	1,055	6.62%	350	2.20%	4,387	27.54%
State 2013-14	51,946	11.5%	67,836	15.02%	239,170	52.95%

Opportunity: Increase Equity & Outcomes

- Overcrowding and Underperformance Are Both Challenges: We Are Addressing Overcrowding But We Are Falling Short on Equity
- Incentivize Best in Class Charter Management Organizations Serving Low Income and High Need Students to Come to Nevada
 - ▣ View Recruitment of Top Flight Operators as a Long-Term Economic Development Engine
 - ▣ Remove Barriers to Entry and Make Adjustments to Education Ecosystem That Support Excellence
 - ▣ Demonstrate the Demographics Are Not Destiny: Proof Points
 - ▣ Grow Our Best Local Operators
- Continue Organic Growth of Suburban and Rural Movement While Making Strategic Investments in Urban Core
- Fast-Track Closure of Long-Term Underperformers and Allow Best-in-Class CMOs to Take Over Low-Performers in High Need Areas → Increase Likelihood of Federal Dollars

How to Meet the Needs of High Quality CMOs



Reflections

- Accomplished a great deal in the past 4 years
- Recognize there is still a great deal of work to do
- We are likely to continue to grow at 30%+ per year
 - Governor's budget request positions us to grow even faster
- Our infrastructure lags our portfolio & revenue growth
- Tension: dynamic, fast moving portfolio vs. traditional state agency
 - We pride ourselves on flexibility and teamwork
 - Capacity to respond to or proactively address school needs & challenges is a persistent concern

Questions?

