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STATE PUBLIC CHARTER SCHOOL AUTHORITY

SUPPORTING DOCUMENT

**S U B J E C T: Approval of March 4, 2014**

**Meeting Minutes**

<u>  /  /  </u>	Public Workshop
<u>  /  /  </u>	Public Hearing
<u>  /  /  </u>	Consent Agenda
<u>  /  /  </u>	Regulation Adoption
<u>  /  /  </u>	Approval
<u>  /  /  </u>	Appointments
<u>  /  x/  </u>	Information
<u>  /  x/  </u>	Action

MEETING DATE: April 25, 2014

AGENDA ITEM: 2

NUMBER OF ENCLOSURE(S): 1

**PRESENTER(S): Kathleen Conaboy, SPCSA Board President**

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**RECOMMENDATION: Approve.**

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**FISCAL IMPACT:**

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**BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):**

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**LENGTH OF TIME EXPECTED FOR PRESENTATION (IN MINUTES): 5 mins**

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**BACKGROUND:**

**SUBMITTED BY:** \_\_\_\_\_

**NEVADA STATE PUBLIC CHARTER SCHOOL AUTHORITY**

**March 4, 2014**

Grant Sawyer Building  
Room 4412  
555 East Washington Ave.  
Las Vegas, Nevada

And

Legislative Building  
401 South Carson Street  
Room 2135  
Carson City, Nevada

**MINUTES OF THE MEETING**

**BOARD MEMBERS PRESENT:**

**In Las Vegas:**

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

**In Carson City**

None

**BOARD MEMBERS ABSENT**

Nora Luna

**AUTHORITY STAFF PRESENT:**

**In Las Vegas:**

Tom McCormack, Interim Director, State Public Charter School Authority  
Traci House, Business Process Analyst, State Public Charter School Authority  
Katherine Rohrer PhD, Education Program Professional, State Public Charter School Authority

**In Carson City:**

Angela Blair, Education Program Professional, State Public Charter School Authority  
Kathy Robson, Education Program Professional, State Public Charter School Authority  
Allyson Kellogg, Management Analyst, State Public Charter School Authority  
Katie Higday, Management Analyst, State Public Charter School Authority  
Adrienne Lawrence, Administrative Services Officer, State Public Charter School Authority

Danny Peltier, Administrative Assistant, State Public Charter School Authority

**LEGAL STAFF PRESENT:**

**In Las Vegas:**

Shane Chesney, Senior Deputy Attorney General

**AUDIENCE IN ATTENDANCE:**

**In Las Vegas:**

Susan Waters  
Travis Cherry  
Sharon Frederick  
William Carrico  
Kelli Miller  
Deb Roberson  
Jeff Blanck  
Bryon Richardson  
Dan Tafoya  
Tim Lorenz  
Lauren Tevis  
Anita Tibbs'  
Melissa Hester  
Janelle Veith  
Terri Barber  
Cortney Sobrero  
Mahina Gago  
Tiera Ashley  
Nick Sarisahln  
Ryan Reeves  
John Hawk  
Ercan Aydogdu

**In Carson City:**

Eugene Paslov  
Donna Wix

**CALL TO ORDER; ROLL CALL; PLEDGE OF ALLEGIANCE; APPROVAL OF AGENDA**

President Conaboy called the meeting to order at 9:05am with attendance as reflected above.

Chair Conaboy asked for a motion for a flexible agenda.

**Member McCord moved for a flexible agenda. Member Abelman seconded. The motion carried unanimously.**

**Agenda Item 1 - Public Comment**

Tim Lorenz, superintendent of Odyssey Charter schools, spoke about the issues that are being faced in charter schools across Nevada. He said one of the largest issues facing the schools is giving pupils equal access to quality education. He also said that it is important to realize that children are different and they may not always learn at the same pace as their peers. He hoped that wouldn't be lost moving forward and that all educators should remember the love for kids and keep that in mind when writing policy for the charter schools.

Dr. Eugene Paslov spoke about the need for the charter loan account to be implemented to charter schools could have access to much needed capital. He said he hoped that the underlying issues with the regulations for the charter school loan account would be solved quickly.

**Agenda Item 2 – Approval of the January 9 and 10 SPCSA Board Meeting Minutes**

Member Mackedon said there was minor edits. But overall the minutes were good.

**Member Mackedon Moved to approve the January 9 and 10 SPCSA Board Meeting minutes. Member Aleman seconded/. The motion carried unanimously**

**Agenda Item 3 – Authority Update**

Chair Conaboy asked Member Wahl to talk about her event at the RISE Resource center during the National Schools Choice week. Member Wahl said the event was very successful and during it she had Chair Conaboy and Dan Tafoya of CCSD speak about charter schools in Nevada and the vision for Nevada charter schools in the future.

**Agenda Item 4 – Update on search for new SPCSA Director**

Chair Conaboy said that after a slow start things had really picked up for the applications. She said they Authority had 22 applications and she hoped that the Task Force would be able to narrow down the applicant list to the top 5 and bring that before the full Authority Board.

**Agenda Item 5 – Interim Director's Report**

Interim Director McCormack began his report by detailing the K-12 Funding Task Force that had been created by the 2013 Legislature to study and provide solutions to Nevada K-12 Funding Model. Interim Director McCormack was invited to be on the panel as the representative of the SPCSA.

Interim Director McCormack briefly commented on the State Board of Education's approval of the revised High School Math Proficiency cut score. Katherine Rohrer, Education Program Professional, explained how the change would affect the SPCSA-sponsored schools. She said the scores would not have an impact on the overall performance score for the schools, but would allow for pupils to be able to pass the math test without having to retake it. Member McCord asked if the Department of Education had issued a notification regarding the cut score adjustment. Dr. Rohrer said yes a notification had been sent.

Interim Director McCormack then moved onto the Alternative School Performance Framework. He said the current accountability system had problems measuring alternative schools. Dr. Rohrer then added that the catalyst for creating the alternative framework is the No Child Left Behind waiver Nevada had received and

the accountability system required for the waiver was not adequate in measuring alternative schools. She further explained the details of the frameworks and how the alternative framework would better measure schools currently not counted in the Nevada School Performance Framework. Dr. Rohrer also clarified that the meaning of alternative school is not well-defined in NRS now. She said that some schools who consider themselves alternative schools aren't actually considered alternative schools for the purpose of the framework. She said these were the things that needed to get worked out before an alternative framework could be released. Member Wahl asked how credit deficient pupils would fit into the new framework. Dr. Rohrer said that was also a point of clarification that needed to be worked out by the Nevada Department of Education.

Interim Director McCormack said that staff had finalized the Work Performance Standards for the SPCSA staff. Each position now has official job descriptions that will be used for the basis of staff review.

He then spoke about the release of the 2014 Call for Quality Charter Schools charter application. He said that training had been scheduled in Carson City and Las Vegas for new charter applicants. He also said that the application would be released to the public on March 11. Chair Conaboy asked Interim Director McCormack to comment on the outreach staff had done to include as many interested parties in the notification of the release of the 2014 Call for Quality Charter Schools. Interim Director McCormack explained that the SPCSA has a number of groups that receive notification of the new application including; the SPCSA general list serve, Education Management Organization contacts, Nevada School Districts, and the Charter School Association of Nevada.

Interim Director then moved to information about the transition from PowerSchool to Infinite Campus student information systems. He asked Traci House, Business Process Analyst, to explain how the transition has been going and what is expected coming up. Ms. House explained the training that she had set up with Infinite Campus that would help facilitate the transition for the staff at the charter schools. She also said that even though it is a large undertaking, once the transition was complete the full benefits of Infinite Campus would be seen. Ms. House also stressed the importance of data integrity and how it affects charter schools. If the data is inaccurate, schools may miss out on critical funding and possibly be negatively impacted in their performance ratings.

Interim Director McCormack spoke about the contract with Brustein and Manasevit. He explained staff was reaching out to the law group to help schools and staff stays in compliance with Federal programs. Kathy Robson, Education Program Professional, said that as the LEA the SPCSA needed to make sure it was meeting all the necessary federal requirements. She said the system is complex and requires expertise in order to ensure all necessary requirements are met. She said there would be cost associated with the contract, but it the costs were more than vital to ensure proper federal program management by the SPCSA. Chair Conaboy asked if any other school districts in Nevada are using Brustein. Ms. Robson said Clark County School District had just hired Brustein for similar purposes. Member Wahl asked if there were any other groups that would be qualified to give this training. Ms. Robson said Brustein is the best in the nation at this type of issue and it would make the most sense to contract with them, even if the costs were more expensive. Member Van said he would like to see more exploration into the contract terms, and maybe find someone who would be local and possibly less expensive. Both Interim Director McCormack and Ms. Robson said that while they appreciate the need to save money, this group is by far the best for what the SPCSA needs right now. Ms. Robson said the final cost of the contract could run upwards of \$10,000 depending on the extant of the training used. Member Wahl said that price was reasonable.

Dr. Rohrer then spoke about the interest in purchasing the Tableau Data visualization tool. She said it would allow SPCSA staff to create quick, easy-to-use, data visuals that could be posted to the website, which would allow for greater transparency of SPCSA-sponsored charter schools. Ms. House also agreed with what Dr. Rohrer said and she thought it would be a very beneficial tool for the SPCSA.

**Agenda Item 6 – Introduction of new ASO Adrienne Lawrence to replace Brian Flanner**

Interim Director McCormack introduced Adrienne Lawrence as the new Administrative Services Officer for the SPCSA. Ms. Lawrence gave some background about her past employment, including nine years with the Nevada Department of Education. She said she looks forward to working with charter schools in Nevada and the SPCSA Authority Board.

**Agenda Item 7 – Presentation and discussion of SPCSA schools' graduation and attrition rates**

Dr. Rohrer began by explaining the methodology behind the measurements of the SPCSA-sponsored charter school's graduation and attrition rates. She said that she broke down the data into sub population groups where she saw a trend in the data of some of the schools. She said that some of the charter schools, mostly distance education, showed a high attrition rate. Students who were entering the program were not finishing with the same program. Many times the pupil transferred back out of the charter school and into their zoned public school. She said that she did not know if this was something to be concerned about, but she wanted to bring it to the Authority's attention because she found it intriguing. She also found that the SPCSA-sponsored charter school's graduation rates were ranked last among the 18 school districts in Nevada, but there had been improvements since the 2011-2012 school year. Member Wahl suggested that some parents may be using the distance education programs as a bridge to homeschool. Member McCord also added that it may not be a negative that the attrition rates are high. He said further exploration of where the pupils are going and why they are going there would be needed to better understand the ramifications of this trend.

**Agenda Item 8 – Consideration of contract application from Beacon Academy**

Interim Director McCormack began his presentation by referring to the recommendation report. Chair Conaboy also added Beacon had referred to a curriculum program they had used through K12 Inc. and that she does business with K12 Inc. Beacon had severed that tie and she said it would not affect her vote on the topic. Interim Director McCormack said it was the recommendation by SPCSA staff to deny the application for a charter contract that Beacon had submitted. Interim Director McCormack and Dr. Rohrer then spoke about the recommendation report:

Beacon Academy of Nevada (Beacon) began operation in the 2008-09 school year. It serves grades 9-12 using primarily distance education. While serving pupils from various counties, its county of location is Clark. Beacon's school year 2013-14 enrollment was 811.

For the State Public Charter School Authority's (Authority) school year 2012-13 Annual Review, Beacon's Academic, Financial and Organizational operations were analyzed. Results are identified below:

- Organizational operation: Compliant;
- Financial operation: Meets Standard; and
- Academic operation: Unsatisfactory.

Pursuant to the Authority's Performance Framework, "the academic performance will be the most important factor in most [high stakes] decisions [regarding a charter school]."

Beacon Academy of Nevada's written charter expires June 13, 2014. The school was informed in a September 24, 2013, letter from the Authority that, in order to continue operation beyond the expiration of the written charter, the school would need to apply for and receive from the Authority a charter contract. Per action of the 2013 Nevada Legislature written charters are no longer approved or renewed; instead, charter contracts are executed and renewed.

The method for transition of a charter school with a written charter to one with a charter contract is identified in Section 20 of AB 205. Strictly speaking, a school that is approaching the expiration of its written charter and wishes to continue operation beyond that expiration date would not apply for charter renewal, it would apply for a charter contract under which it would operate for the next six years. Essentially, however, such a

school is seeking charter renewal in that if it fails to have its application for a charter contract approved by the sponsor it would have to close upon expiration of the written charter.

An applicant for a charter contract whose application is denied may attempt within 30 days to correct the deficiencies for which the application was denied and resubmit the application for further consideration by the school's sponsor.

Pursuant to Section 20 of AB 205 Beacon submitted an application for a charter contract, which is essentially though not technically a charter renewal application. The applicant responded to the three requirements of Section 20.

A description of the academic, financial and organizational vision and plans for the school for the next charter term;

- Any information or data that the governing body of the charter school determines supports the renewal of the charter under the terms and conditions for the issuance of a charter contract; and
- A description of any improvements to the charter school already undertaken or planned.

Pursuant to Section 20, the determination of the Authority for approval or denial of the application for a charter contract must be based upon the Authority's criteria for the issuance and renewal of charter contracts and evidence of the performance of the charter school during the term of the written charter, that is, over the past six years.

The Authority's criteria for renewal of charter contracts are identified in Authority's "Charter School Performance Framework." Statute requires a Performance Framework to be incorporated into a charter contract. Per the Performance Framework adopted by the Authority, a school seeking renewal must be designated "Adequate" or above for the preceding year on the Authority Academic Framework plus receive a three star rating or above on the Nevada School Performance Framework. Additionally, the school must be rated as financially sustainable and compliant with statute and regulation applicable to charter schools.

Beacon has failed to meet the criteria identified in the Authority's Performance Framework for renewal. It received lower than an "Adequate" rating on the Authority Academic Framework, and lower than a three star rating on the Nevada School Performance Framework.

In fact, pursuant to the Authority's Performance Framework, Beacon received in September, 2013, a Notice of Concern due to academic underperformance on the 2012-2013 Authority Academic Framework (its rating was Unsatisfactory); and on the Nevada School Performance Framework (its rating was one star).

Due to Beacon's unsatisfactory academic performance, Authority staff's recommendation to the Authority Board is to deny Beacon Academy's application for a charter contract in full recognition of the fact that such denial would result in the school's closure upon expiration of its written charter.

Member Wahl asked Dr. Rohrer to clarify what an alternative program was and how that related to Beacon. Dr. Rohrer explained that currently there was not an alternative framework to measure alternative schools in Nevada. However, even if there was an alternative framework it would not excuse measurements for graduation rates, college or career readiness, proficiency scores and growth in the school. Those are requirements of all public schools no matter if they are considered alternative or not.

Member Mackedon also added that when staff talks about alternative programs with pupils who have disabilities, they are not programs that any charter school in Nevada have. When speaking of alternative programs, the pupils are severely disabled, more so than a typical special education student.



Chair Conaboy asked representatives from Beacon Academy to come before the Authority. Susan Waters, William Carrico and Jeff Blanck spoke on behalf of Beacon Academy. Ms. Waters began by disagreeing with the SPCSA staff's findings about nepotism and conflicts of interest with some of their executed contracts. She also added that there were no excuses about the findings in the academic data presented by SPCSA staff. She said the school had demonstrated annual yearly progress in 2010-2011. She said that Beacon's performance compared to other distance education schools in Nevada was above average. She did recognize that in 2012-2013 the school demonstrated a significant, and unexpected, drop in the performance of the school. She said that staff had been working to determine the cause of the drop and they found their proficiency scores were not adequate. She said beginning in April of 2013 the school began a review and revision within the pre-algebra, algebra 1 and 2, geometry, pre-calculus, and calculus curricula. She said the school also created two additional courses to address the deficiencies in the mathematical skills of the pupils.

Chair Conaboy asked for clarification in Ms. Waters presentation. She was confused as to how Ms. Waters had said they had not found significant trends explaining the fall in performance, but then in the next slide of their presentation say they had found the root causes for the decline. Ms. Waters said that is why they looked into the curriculum of the school. She said because they found no obvious trends in the students' failure, it lead them to determine there must be a problem with the lessons being taught. Ms. Waters also added that based on the projections of Beacon Academy staff, test scores that were currently underway would show marked improvement due to the changes in curriculum and lessons the school had implemented. Chair Conaboy asked what data these projections were being made from if the tests were currently underway. Ms. Waters said the projections were being based on the November testing cycle. Ms. Waters said another contributing factor to the drop in performance was the increase in credit-deficient students enrolling in Beacon for the 2012-2013 school year. She said the over percentage of students who enrolled in 2012-2013 that were credit deficient was 72.3 percent. Chair Conaboy asked if Beacon had a specific definition for credit deficient. Ms. Waters said that while each student deficiency may be different, some may be a semester while others are two years behind, Beacon has measures to determine how credit deficient the pupil is.

Ms. Waters also said many of the pupils who enroll at Beacon Academy have other issues in their lives that may make it difficult to attend school. She said the school had enrolled pupils who had cancer, debilitating illness, substance abuse problems, domestic problems, incarcerations, and many other issues that caused problems in school. She explained that because these students had a lower probability of graduating in the four year window the school's accountability ratings were adversely affected.

Member Wahl agreed with Ms. Water's assertion that the school does take on a lot of pupils with problems, but she wanted to know from SPCSA staff if other schools were comparable. Member Mackedon added that while the school does enroll a higher number of these types of pupils, they are actively appealing to those students. She said if the school is saying to these pupils that it can help them, but not providing the results, the school then can't turn around and blame the pupils. Discussion continued between the Authority and Ms. Waters involving more details about the credit deficiency of students and how the curriculum changes were going to affect the school.

Ms. Waters discussed the additional professional development that staff at Beacon Academy was taking part in. Chair Conaboy asked why these types of trainings were not implemented at the inception of the school. Ms. Waters said that as the school evolved the training teachers took part in was more technical in nature. They were taught how to teach in an online environment. She said now that teachers are comfortable in the online environment; they need to learn better instruction techniques.

Member Wahl said she was uncomfortable with the constant change of curriculum the school has done. She said that if one looks across the school's history they would find that curriculum has been changed all the time. She said she feels this makes it harder for teachers to become comfortable teaching the curriculum if they

always have to learn new lesson plans. Ms. Waters agreed that too much change had taken place and that staff at Beacon was cognizant of that fact and were continuing to work to address it.

**Member McCord moved to follow staff's recommendation for the denial of Beacon Academy of Nevada's request for a charter contract. Member Abelman seconded. Discussion followed.**

William Carrico, Governing Board President of Beacon Academy, then spoke about the school's governance. Mr. Carrico opened by saying he hoped he had an open mind from all of the Authority members because the decision that was before them was to destroy Beacon Academy. Mr. Carrico spoke about the opportunities for quality education that all students in Nevada deserve. He spoke about Beacon was one of those options for students and that it would negatively impact those students if that option was taken away. Mr. Carrico added that during the application process that SPCSA staff had not asked for some of the data that they now were calling out. Chair Conaboy clarified for Mr. Carrico that no limits were put on any data that could be submitted by the school and to say that misrepresented the application process that SPCSA staff had put together. Beacon was asked to provide data and information that would support the renewal of their school and no further restrictions of that data or information was put forward by SPCSA staff. Mr. Carrico apologized for how his testimony was perceived and moved onto explaining the culture and environment of Beacon Academy. He said that sometimes there are more babies of students attending the school than actual students. He said he felt it was wonderful that these pupils were allowed to still go to school even when they did not have access to daycares for their children. He said it would be unfortunate if the school was adversely affected by rating systems that struggled to rate the uniqueness of the school.

Member Wahl asked Mr. Carrico asked about some of the contracts the school had entered into. Mr. Carrico said that there was confusion about the contracts and the businesses within those contracts. He said that with the services the school provides, a license is needed, and that is what the contracts are for. Even though many of the services are provided free of charge, the school still needed to pay some costs in order for the Juniper Consulting to run the Center for Health and Learning. Member Wahl then asked why the school had severed ties with the curriculum provider when so there was evident success. Mr. Carrico said the school did not initiate the split, but the provider could no longer provide the services promised and decided to end the relationship with Beacon.

Jeff Blanck, attorney representing Beacon Academy, then spoke about the school. He said the process for which the renewal was taking place was not clear in statue and the Authority would have a hard time holding up the decision if challenged in court. He said that because Beacon Academy's mission as to provide quality education for at-risk students they were being negatively impacted in their ratings because there is not an alternative way to measure a school like Beacon. He said that a school, like Nevada State High School can turn away pupils who do not meet their criteria and with that can keep their rating high by not taking at-risk pupils.

Chair Conaboy asked if there were any further questions from members of the Authority. Seeing none she reiterated the motion on the floor made by Member McCord and called for a vote.

**The motion carried 5 - 1. Member Van voted against the motion.**

**Agenda Item 9 – Consideration of contract application from Quest Preparatory Academy**

Member Abelman began by abstaining from the vote and discussion because he currently has two children who attend Quest and was a governing board member in the past. Chair Conaboy then asked Interim Director McCormack and Dr. Rohrer to begin their presentation. Interim Director McCormack and Dr. Rohrer read from the recommendation report: Quest Academy Preparatory Education (Quest) began operation in the 2008-2009 school year. It serves grades K-12 using site-based instruction rather than distance education. Its county of location is Clark. Quest's school year 2013-14 enrollment was 863.

For the State Public Charter School Authority's (Authority) school year 2012-13 Annual Review, Quest's Academic, Financial and Organizational operations were analyzed. Results are identified below:

- Organizational operation: Compliant;
- Financial operation: Meets Standard; and
- Academic operation: Approaches.

Pursuant to the Authority's Performance Framework, "the academic performance will be the most important factor in most [high stakes] decisions [regarding a charter school]."

Quest Academy Preparatory Education's written charter expires July 16, 2014. The school was informed in a September 24, 2013, letter from the Authority that, in order to continue operation beyond the expiration of the written charter, the school would need to apply for and receive from the Authority a charter contract. Per action of the 2013 Nevada Legislature written charters are no longer approved or renewed; instead, charter contracts are executed and renewed.

The method for transition of a charter school with a written charter to one with a charter contract is identified in Section 20 of AB 205. Strictly speaking, a school that is approaching the expiration of its written charter and wishes to continue operation beyond that expiration date would not apply for charter renewal, it would apply for a charter contract under which it would operate for the next six years. Essentially, however, such a school is seeking charter renewal in that if it fails to have its application for a charter contract approved by the sponsor it would have to close upon expiration of the written charter.

An applicant for a charter contract whose application is denied may attempt within 30 days to correct the deficiencies for which the application was denied and resubmit the application for further consideration by the school's sponsor.

Pursuant to Section 20 of AB 205 Quest submitted an application for a charter contract, which is essentially though not technically a charter renewal application. The applicant responded to the three requirements of Section 20:

- A description of the academic, financial and organizational vision and plans for the school for the next charter term;
- Any information or data that the governing body of the charter school determines supports the renewal of the charter under the terms and conditions for the issuance of a charter contract; and
- A description of any improvements to the charter school already undertaken or planned.

Pursuant to Section 20, the determination of the Authority for approval or denial of the application for a charter contract must be based upon the Authority's criteria for the issuance and renewal of charter contracts and evidence of the performance of the charter school during the term of the written charter, that is, over the past six years.

The Authority's criteria for renewal of charter contracts are identified in Authority's "Charter School Performance Framework." Statute requires a Performance Framework to be incorporated into a charter contract. Per the Performance Framework adopted by the Authority, a school seeking renewal must be designated "Adequate" or above for the preceding year on the Authority Academic Framework plus receive a three star rating or above on the Nevada School Performance Framework. Additionally, the school must be rated as financially sustainable and compliant with statute and regulation applicable to charter schools.

For the 2012-2013 school year, Quest received an “Approaches” rating on the Authority Academic Framework, and a star rating on the Nevada School Performance Framework of two for the elementary school, three for the middle school, and three for the high school.

**Member McCord moved for the approval of staff recommendation for approval of Quest Academy’s charter contract application. Member Van seconded. Discussion followed.**

Chair Conaboy then asked for representatives of Quest Academy to speak before the Authority. Anthony Barney, Vice President of Quest Academy’s Governing Board, began by thanking Dr. Canavero, Interim Director McCormack, Brian Flanner and Marc Abelman for their help throughout the last year. He explained that Quest had gone through some trying times over the past year and without the help the school would not have been able to make it through. Mr. Barney also complimented the current principal, Deb Roberson, for her hard work over the past year. He said that she has been instrumental in building the trust with the community, parents, and students. He said that without her the school would not be in front of the Authority applying for the new charter contract today.

Kelli Miller, Treasurer for Quest Academy, spoke about the difficulties the school had during the past year, but she said the help received by staff and the Authority kept them engaged in fixing the problems of the school.

Ms. Roberson began by thanking SPCSA staff and the Authority for the assistance she had received while principal of Quest. Member McCord recognized the dedication of Ms. Roberson and wanted to echo the sentiment of Mr. Barney. Member Wahl added that she liked seeing the board for Quest engaged with the school. She said there were too many boards that don’t take that type of role with respect to the charter schools they oversee. Chair Conaboy asked about the test score drops for grades 5 – 8. Ms. Roberson said that many children attending the school went through two, three, and possibly four teachers last year due to the turmoil that had gone on. She said that insecurity led to some pupils not living up to their full potential. She said staff at the school was also afraid for the future, which led them to not be as effective as they would normally be. She said over recently since things had calmed down she has seen students and teachers more engaged, she had seen parents volunteering at the school again, and the overall culture of the school is much more positive. Ms. Roberson said she strongly believes these positive changes will reflect in the test scores for this year.

Chair Conaboy asked how the school had overcome the lost funds during the real property acquisition. Mr. Barney said the board pulled together and became more realistic about the financial situation. He said the school cut back on spending and they fixed the gross mismanagement of the fund. He said once they were able to get a handle on the budget situation, they were able to put together a financial plan, which if followed, would continue to keep the school financially viable for the foreseeable future.

Chair Conaboy asked the board about the Nevada Charter School sports league. The league had been set up to allow charter schools the opportunity to play sports in a league against one another in grades 6 – 8 because the charter schools are not permitted to play in the district leagues. Chair Conaboy then asked for a vote.

**The motion carried 5 – 0 with Member Abelman abstaining.**

**Agenda Item 11 - NIAA Issue follow-up**

Member Van began by speaking about the discussion he had with a member of the board of the NIAA. He said the regulations as they currently exist are written to allow for a student of a charter school to play any sport at the school they are zoned for. The proposed changes may say that if a charter school offers the sport which the student wants to play in, they would not be allowed to play at their zoned school. Member Van also added that some in the NIAA would like to see the regulations change to not allow a student to play a sport at their zoned school if the charter school offers any sport at all. He said there is no official position by the NIAA and these are only proposed changes. Member Van said he would present at the next NIAA meeting in order to represent

charter schools in the discussion. Deputy Attorney General Chesney confirmed what Member Van said about the current regulations, but also added that the NRS is not as clear. He said it is not common for a regulation to be written that is stricter than the NRS. He said the NRS statute always overrides the regulation, so if the regulations are modified, they would not hold up against what was written in statute.

Member Wahl said that she was taking direct offense that the NIAA was concerned with Open Meeting Law. She said that her, and her organization, had been left out of quite a few discussions. She then asked what the SPCSA's options were moving forward with this issue. Deputy Attorney General said that LCB should review both the statute and the regulations in order to see if the regulations had overstepped the statutes.

Chair Conaboy then asked Deputy Attorney General to draft a memo that would represent the SPCSA's position regarding this issue. Deputy Attorney General Chesney said he would have to be careful drafting that memo so it would not look like the Attorney General's office was calling into the question the decisions made by the LCB. Chair Conaboy clarified that it would not be questioning LCB; it would only be explaining the SPCSA's stance on the NRS and the regulations.

### **Agenda Item 10 - Charter School Regulation Revisions**

At January 10, 2014, Authority Board meeting a 61 page regulation revision document was reviewed by the Board. The Board directed staff to transmit the document to the State Board for the next step in the regulation adoption process. The Board received Jan 10 a memo from a Laura Granier suggesting revisions to the proposed regulations. The Board directed staff to transmit the memo along with the 61 page document to the State Board. Authority Board did not review or discuss Ms. Granier's memo.

February 20, 2014, Superintendent Erquiaga conducted a State Board Workshop on the regulations. Accompanying the 61 page document and Granier memo were proposals regarding the Charter School Loan Fund. The loan fund regulations had not been reviewed or presented to the Authority Board; they address issues that arose after the January 10 Authority Board meeting. Within the support docs it says: "Proposed New Regulatory Language for the Account for Charter Schools" and "NAC 386.435". The main issue/tension is the trade-off of accountability for repayment of the loan versus making the money available for use by schools. Three specific issues:

- "costs incurred" language in NRS 386.577(1). See statute in "Proposed New Regulatory Language..." and proposed language clarifying "reimbursement"
- "charter contract" language in NRS 386.578(1); see proposed language in "Proposed New Regulatory Language..." tying receipt of loan funds to completion of pre-opening requirements including attainment of adequate enrollment for financial viability. Also see NRS 386.577(2) linking amount of loan to enrollment numbers.
- Liability for repayment of loan if something goes astray in the school's plans for opening or operation. See NAC 386.435(1)(l) and 386.445(4).

Superintendent Erquiaga didn't like the SPCSA's proposals and he seemed more interested in making the money available than in our efforts to ensure accountability for repayment of the loan. With that being said Interim Director McCormack's recommendation was:

- Adopt the regulatory language discussed above, all three points.
- Or, leave off the "reimbursement" language, meaning the SPCSA would give the schools money and they would go out and buy the materials identified in the approved loan application.

- Or, leave off the reimbursement language and the DSA/Pre Opening Requirements language, meaning schools would not have to demonstrate any enrollment at all. All they would need is an approved charter school application.
- But, do not leave off the language regarding personal liability for repayment of the loan.

Member Mackedon said it would be problematic if charter school's governing board members would not be comfortable taking a personal financial liability when applying for the loan. She said she could not think of any board members who would agree to that.

Chair Conaboy said the issue was getting the money to schools while also be a responsible steward of the State's money. She said that if the Authority could not find agreement, then the loan may only be available for schools who are currently receiving DSA money. Member McCord asked if that decision would destroy the legislative intent for the money to be available to start-up charter schools. Member Mackedon suggested the loan be tied to the early enrollment audit for new charter schools so there would be confirmation the school would indeed be receiving DSA money. Interim Director McCormack said the earliest the Nevada Department of Education would allow for early DSA payment would be in June or July which is only one month before the school may open.

Member Wahl asked how the SPCSA would forgo the cost incurred language within the statute. Deputy Attorney General Chesney said it would be difficult to forgo the language in statute because statute will always override regulations. Deputy Attorney General said the Authority was adding language that was beyond what is written in statute and that would be problematic. Deputy Attorney General suggested the regulation language should say a school would be eligible for the loan if it receives DSA payment, however if it does not receive DSA payments and it still wants to obtain the charter loan then the governing board members would have to sign a personal liability pledge to repay the loan if the school failed to open. Member Abelman asked if this would affect getting quality board members for new charter schools. Chair Conaboy asked John Hawk, Executive Director of Nevada State High School, to speak on the subject since he had submitted a request to for public comment on this topic.

Dr. Hawk suggested the charter schools could look into bonding, but he was not sure of the details of such an endeavor. He also added that when he started his charter school he took a personal loan from Wells Fargo which he looked at as an investment in getting the charter school up-and-running. So, he had already signed a personal liability to pay back a loan for starting the charter school. Member Mackedon said she understands why the personal liability language would be added but she doesn't think the money will accessed by charter schools now.

Chair Conaboy said the language should be if a school is receiving DSA payment, then no personal liability pledge would not be needed, and if a start-up school would want to receive the loan before receiving DSA payments, then a personal liability pledge would be needed in order to guarantee the State's financial interests. If a personal liability pledge is signed, it would go away once the school had started receiving the DSA payments.

**Member Mackedon moved to amend the regulation to indicate the loan could be accessed prior to receiving DSA payment if a personal liability pledge was signed. Member Van seconded. No further discussion took place. The motion was unanimous.**

Then Interim Director McCormack addressed Ms. Granier's concerns which took issue with the insurance for Special Education. Chair Conaboy said the real options were to carry a reserve fund for Due Process cases in Special Education or carry an insurance policy. Interim Director confirmed that those were the two options.

Member McCord asked if this would only apply to charter schools that are currently under the charter contract. Interim Director McCormack said it would apply to all schools if it was written into regulations.

Chair Conaboy said she feels strongly that this is needed for the charter schools because of the real risks a due process hearing are to charter schools. Allyson Kellogg, Management Analyst for the SPCSA added that all charter schools had already been required to sign the Memorandum of Understanding, which contains language being discussed by the Authority.

**Member Wahl motioned to instruct SPCSA staff to include language that is in the charter contract into the regulation NAC 386.215(1)(d). Member Abelman seconded. No further discussion took place. The motion was unanimous.**

**Member McCord for the approval of Laura Granier's memorandum which said on the new/additional facility, the 120 day period caused concerns with respect to the school's ability to negotiate with a landlord. In addition to "emergency" safe harbor staff will include "or compelling circumstances." Alternatively, given the concern raised is the expansion of schools that have performance issues, staff eliminate the approval requirement for schools meeting performance requirements and require approval only for those that are not. Member Van seconded. No further discussion took place. The motion was unanimous.**

Interim Director McCormack then continued with Ms. Granier's other concerns: "P. 26, NAC 386.325," 10% enrollment increase limit. Interim Director McCormack suggested the Authority keep the proposed regulation as is and take no action as this was part of the 61 page document sent by the Authority to the State Board of Education.

**Member Wahl motioned to keep regulation language the same regarding limiting enrollment increases to 10%. Member Abelman seconded. There was no further discussion. The motion was unanimous.**

Interim Director McCormack then spoke about Abbe Matson's proposed changes to language in regulations regarding charter schools changing sponsors. Interim Director McCormack suggested the language should say in good standing as determined by the new proposed sponsor regarding its performance framework instead of ranked on the Nevada School Performance Framework as a three, four or five star school.

**Member Mackedon motioned for approval to change the suggested the language to say in good standing as determined by the new proposed sponsor regarding its performance framework instead of ranked on the Nevada School Performance Framework as a three, four or five star school. Member Abelman seconded. Member Wahl called for discussion.**

Member Wahl asked what would happen if the new sponsor had less performance requirements than the charter school's old sponsor. Member Mackedon said that if a sponsor wanted to take a low performing school, it was that sponsor's choice.

**The motion carried unanimously.**

Interim Director addressed the last of Ms. Matson's concerns which was to change the word Authority to Sponsor in the section of regulations discussing the 10% enrollment increase.

**Member McCord moved for the approval of the change. Member Mackedon seconded. There was no further discussion. The motion carried unanimously.**

**Agenda Item 12 – Member Comment**

There was no member comment.

**Agenda Item 13 – Next Meeting Date**

Based upon what was known at the time of the Authority meeting, the next scheduled meeting would be for June 20, 2014. However, due to the schedules of the members, the date would not work and SPCSA staff would work with the members to find a more agreeable date.

**Agenda Item 14 – Public Comment**

Dr. John Hawk said the comments made by Beacon Academy's comments regarding Nevada State High School not taking all students. He said NSHS, by statute, was required to take all students and NSHS does not select the students who do, or do not, come to the school.

**Agenda Item 15 – Adjournment**

Member McCord moved for adjournment. Member Abelman seconded. There was no further discussion. The motion carried unanimously.



**STATE PUBLIC CHARTER SCHOOL AUTHORITY**

**SUPPORTING DOCUMENT**

**S U B J E C T: Authority Update**

<u>  /  /  </u>	Public Workshop
<u>  /  /  </u>	Public Hearing
<u>  /  /  </u>	Consent Agenda
<u>  /  /  </u>	Regulation Adoption
<u>  /  /  </u>	Approval
<u>  /  /  </u>	Appointments
<u>  /  x/  </u>	Information
<u>  /  /  </u>	Action

MEETING DATE: April 25, 2014

AGENDA ITEM: 3

NUMBER OF ENCLOSURE(S): 1

**PRESENTER(S): Kathleen Conaboy, SPCSA Board President**

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**RECOMMENDATION:**

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**FISCAL IMPACT:**

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**BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):**

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**LENGTH OF TIME EXPECTED FOR PRESENTATION (IN MINUTES): 15 mins**

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**BACKGROUND:**

**SUBMITTED BY:** \_\_\_\_\_

STATE PUBLIC CHARTER SCHOOL AUTHORITY

SUPPORTING DOCUMENT

**S U B J E C T: Interim Director's Report**

<u>  /  /  </u>	Public Workshop
<u>  /  /  </u>	Public Hearing
<u>  /  /  </u>	Consent Agenda
<u>  /  /  </u>	Regulation Adoption
<u>  /  /  </u>	Approval
<u>  /  /  </u>	Appointments
<u>  /  x/  </u>	Information
<u>  /  /  </u>	Action

MEETING DATE: April 25, 2014

AGENDA ITEM: 4

NUMBER OF ENCLOSURE(S): 1

**PRESENTER(S): Tom McCormack, Interim Director, SPCSA**

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**RECOMMENDATION:**

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**FISCAL IMPACT:**

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**BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):**

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**LENGTH OF TIME EXPECTED FOR PRESENTATION (IN MINUTES): 15 mins**

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**BACKGROUND:**

**SUBMITTED BY:** \_\_\_\_\_

STATE PUBLIC CHARTER SCHOOL AUTHORITY

SUPPORTING DOCUMENT

**S U B J E C T: Consideration of resubmitted  
charter contract application from Beacon**

**Academy**

<u>  /  /  </u>	Public Workshop
<u>  /  /  </u>	Public Hearing
<u>  /  /  </u>	Consent Agenda
<u>  /  /  </u>	Regulation Adoption
<u>  /  /  </u>	Approval
<u>  /  /  </u>	Appointments
<u>  /  x/  </u>	Information
<u>  /  x/  </u>	Action

MEETING DATE: April 25, 2014

AGENDA ITEM: 5

NUMBER OF ENCLOSURE(S): 1

**PRESENTER(S): Tom McCormack, Interim Director, SPCSA**

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**RECOMMENDATION: Deny Beacon Academy of Nevada's application for a charter contract in full recognition of the fact that such denial would result in the school's closure upon the expiration of the school's written charter.**

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**FISCAL IMPACT:**

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**BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):**

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**LENGTH OF TIME EXPECTED FOR PRESENTATION (IN MINUTES): 45 mins**

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**BACKGROUND:**

**SUBMITTED BY:** \_\_\_\_\_

Review and Findings of Beacon Academy of Nevada's  
Resubmitted Application for a Charter Contract

Comments regarding misreadings of statute and misstatements from the resubmitted application:

Pages 7-8: Beacon argues that the application the school submitted in January 2014 was one for "renewal" rather than one for a contract. A December 20, 2013, email from former Director Canavero to Tom McCormack (Exhibit 1) clarifies that the "Application [is] for a contract." See also Exhibit 2. Also, Dr. Canavero's September 24, 2013, letter (Exhibit 3) to Beacon informs Beacon that "your school must apply to its sponsor, before expiration of your written charter, for a charter contract." **There is a significant difference between the written charter and the charter contract;** the process for conversion of a written charter to a charter contract was described at the March 4, 2014, Authority Board meeting.

Page 9: Beacon is "perplexed" regarding the Authority's reference to NRS 386.525. The Authority refers to NRS 386.525 only because it allows a charter school applicant whose application to form a charter school was denied to attempt to correct the application within 30 days of denial and resubmit it for reconsideration by the proposed sponsor. It was in the interest of giving Beacon every opportunity to make its case for approval of its application for a charter contract that the Authority adopted from NRS 386.525 the opportunity for the school to resubmit its application, even though the statute addresses "an application to form a charter school," not an AB 205 application for a charter contract. **There is a significant difference between the AB 205 application for a charter contract and the NRS 386.525 application to form a charter school.**

Page 9: Beacon argues that NRS 386.530 applies to their situation, but NRS 386.530 applies to "Renewal of a Charter Contract." Beacon doesn't have a charter contract, it has a written charter, and there is a significant difference between the two. In fact, a good deal of the Authority and Legislature's charter school work in the 2013 Legislative Session was devoted to creation of the charter contract and elimination of the written charter. Beacon declares on Page 11 that "The SPCSA did not meet the requirements of NRS 386.530(1)..."; that's because **NRS 386.530 does not apply to Beacon's situation.**

Page 13: Counterintuitively, Beacon argues the Notice of Concern for academic underperformance precludes denial of the application for a charter contract. Dr. Canavero sent Beacon on September 16, 2013, a "Notice of Concern" (Exhibit 4) due to academic underperformance. Beacon argues that the Notice, somehow, "[implicitly acknowledged] that Beacon has entered into [a] three year process" for improvement. However, the Notice of Concern specifically references the written charter under which Beacon has been operating for the past six years; the point of that reference is to make clear that **the state's system of academic accountability has always applied to Beacon, and that the school's record was not**

**wiped clean or somehow reset upon implementation of the current academic accountability system.** As Authority staff demonstrated during the March 4, 2014, Authority meeting, the school has been underperforming for considerably more than three years.

On page 13, Beacon incorrectly cites NRS 386.5351. This statute refers to mandatory revocation of the written charter or termination of the charter contract of an underperforming charter school, but Beacon's is a case of denial of an application for a charter contract pursuant to AB 205; it's neither a revocation nor a termination.

Page 30: When discussing at-risk charter schools, at length, Beacon uses inaccurate language including terms like "specifically serving at-risk students." Such language is misleading in that, as public schools, charters must enroll whomever seeks enrollment, with few exceptions. A charter school may not exclude at-risk pupils—nor may it exclude credit-deficient pupils—but a charter school may make a special effort to include them. NRS 386.520(5)(p) allows any charter school that sincerely wants to serve at-risk pupils to create an enrollment lottery exemption for such pupils, to actually give them enrollment preference. The description of Beacon's enrollment lottery contained in the school charter application includes no provision for NRS 386.520 preference of at-risk pupils. Beacon's supposed embrace of at-risk pupils loses all credibility in light of the school's proposal in its original application to exclude from enrollment the very at-risk, credit-deficient pupils it purports to serve. Only because of the Authority's objections has the school "removed any proposal that could be interpreted as limiting enrollment in any way."

Exhibit 1

December 20, 2013, email from Steve Canavero to Tom McCormack

## Thomas McCormack

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**From:** Steve Canavero  
**Sent:** Friday, December 20, 2013 12:21 PM  
**To:** Thomas McCormack  
**Subject:** RE: transition to contract

Yes. Application for a contract.

---

**From:** Thomas McCormack  
**Sent:** Friday, December 20, 2013 10:30 AM  
**To:** Steve Canavero  
**Subject:** transition to contract

Steve,

Actually, Beacon and Quest (and all the others with written charters) will be applying for a charter contract, which will have a term of 6 years, rather than applying for "charter" renewal. Right?

Tom McCormack  
Education Program Professional  
State Public Charter School Authority  
[tmccormack@spsca.nv.gov](mailto:tmccormack@spsca.nv.gov)  
775-687-9149  
775-687-9113 (fax)

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Exhibit 2

Excerpts from January 31, 2014, emails between Steve Canavero  
And Tom McCormack



Excerpts from January 31, 2014, emails between Tom McCormack and Steve Canavero

McCormack asked:

Was it correct to give NV Virtual and Coral *renewal* contracts? In my view they should've gotten...*charter contracts*...each school's first charter contract. This would be consistent with your and my email conversation in which you confirmed my interpretation that Beacon and Quest are "applying for a charter contract...rather than applying for "charter" renewal." This matters because we've got a couple more schools (Beacon and Quest) whose "written charters" are about to expire, and each is applying to the SPCSA for a "charter contract." My plan, for the one(s) whose contract applications are approved, is to enter into a charter contract, not a renewal contract.

Canavero replied:

Technically you are correct contract rather than renewal.

Exhibit 3

September 24, 2013, Letter from Steve Canavero to  
Susan Waters

BRIAN SANDOVAL  
*Governor*

STATE OF NEVADA

STEVE CANAVERO  
*Director*



STATE PUBLIC CHARTER SCHOOL AUTHORITY

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

September 24, 2013

Susan Waters, Administrator  
Beacon Academy of Nevada

Delivered by email

Dear Ms. Waters:

This is to alert you to the provisions of Section 20 (copy attached) of Assembly Bill (AB) 205 of the 2013 Nevada Legislature. Section 20 pertains to an operating charter school's transition from a written charter (defined in NAC 386.050) to a charter contract (defined in Section 2 of AB 205).

Your written charter is approaching its expiration date. Pursuant to Subsection 1 of Section 20, if your school's governing body (board) seeks to continue operation post-expiration of the written charter, **your school must apply to its sponsor, the State Public Charter School Authority (Authority), before expiration of your written charter, for a charter contract.** The "form" and "date" for such an application are identified below.

Upon receipt of your school's application for a charter contract, Authority staff will review it pursuant to Subsection 4 of Section 20 and make a recommendation for either approval or denial to the Authority Board. The Board will make its decision in an open meeting at which your school will be able to speak.

Subsection 2 of Section 20 applies to your school which is operating under a written charter issued before the effective date of Section 20. Pursuant to that Subsection, your school may apply to the Authority for a charter contract any time now (but, pursuant to Subsection 1, "[b]efore the expiration of the written charter..."). The "form" and "date" for such an application are identified below.

Pursuant to Subsection 3 of Section 20, your school's application for a charter contract (the "form" for the application) must include:

- (a) A description of the academic, financial and organizational vision and plans for the charter school for the next charter term;
- (b) Any information or data that the governing body of the charter school determines supports the renewal of the charter under the terms and conditions for the issuance of a charter contract;
- (c) A description of any improvements to the charter school already undertaken or planned; and
- (d) Any other requirements or information prescribed by the sponsor, which would result from a performance report prepared by the Authority for your school. Such "other requirements or information" would be prescribed by the Authority by November 15, 2013.

Please note that there is no template or application form with blanks to fill in. Provide responses to (a)-(c), above, and (d) if applicable.

Assuming your school's board seeks to continue operation of your school, please submit your application for a charter contract to the Authority by **January 15, 2014**.

Thank you for your interest in Nevada charter schools. Don't hesitate to contact me with any questions or comments.

Sincerely,



Steve Canavero

### Section 20, Assembly Bill (AB) 205

**Sec. 20. 1.** Except as otherwise provided in subsection 2, a charter school that is operating under a written charter issued before the effective date of this act shall continue to operate under the terms of the written charter until the expiration of the written charter, unless the written charter is revoked before the expiration of the current term. Before the expiration of the written charter, if the charter school seeks to continue operation, the charter school must apply to the sponsor of the charter school for a charter contract in the form and on the date prescribed by the sponsor.

**2.** If a charter school that is operating under a written charter issued before the effective date of this act does not wish to continue operation under the written charter until its expiration, upon approval of the sponsor of the charter school, the charter school may apply to the sponsor for a charter contract in the form and on the date prescribed by the sponsor.

3. An application submitted pursuant to subsection 1 or 2 must include, without limitation:
- (a) A description of the academic, financial and organizational vision and plans for the charter school for the next charter term;
  - (b) Any information or data that the governing body of the charter school determines supports the renewal of the charter under the terms and conditions for the issuance of a charter contract;
  - (c) A description of any improvements to the charter school already undertaken or planned; and
  - (d) Any other requirements or information prescribed by the sponsor.

4. Upon receipt of an application pursuant to subsection 1 or 2, the sponsor of the charter school shall consider the application for a charter contract at a meeting held in accordance with chapter 241 of NRS. The sponsor shall provide written notice to the governing body of the charter school concerning its determination on the application not more than 60 days after receipt of the application. The determination of the sponsor must be based upon:

- (a) The criteria of the sponsor for the issuance and renewal of charter contracts based upon the requirements of NRS 386.490 to 386.610, inclusive, and sections 2 to 3.5, inclusive, of this act; and
- (b) Evidence of the performance of the charter school during the term of the written charter.

5. Upon approval of an application for a charter contract pursuant to subsection 1 or 2:

- (a) A written performance framework for the charter school in accordance with section 3 of this act must be incorporated into the charter contract executed pursuant to paragraph (b).
- (b) The sponsor of the charter school and the governing body of the charter school shall execute a charter contract pursuant to NRS 386.527, as amended by section 8 of this act.

Exhibit 4

September 16, 2013, Notice of Concern from Steve Canavero  
To William Carrico

**BRIAN SANDOVAL**  
*Governor*

**STATE OF NEVADA**

**STEVE CANAVERO**  
*Director*



**STATE PUBLIC CHARTER SCHOOL AUTHORITY**

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

Beacon Academy  
7360 West Flamingo Road  
Las Vegas, NV 89147

September 16, 2013

Dear Mr. Carrico:

This is Beacon Academy's first Notice of Concern due to academic underperformance on the 2012-2013 Authority Academic Framework (Unsatisfactory), and Nevada School Performance Framework (High School Rating—1-Star).

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

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

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

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

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

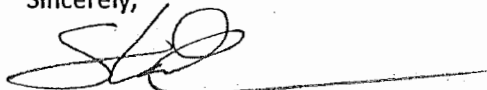
Schools can enter Level 1 of the intervention ladder if the Authority receives a verified complaint of material concern or if regular oversight generates significant questions or concerns. Beacon Academy's academic performance for the 2012-2013 school year has generated significant concern and has moved Beacon Academy into level one of the intervention ladder.

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

The State Public Charter School Authority is requesting to be added to the October 8, 2013 agenda in order to present this information. This date was pulled from the board calendar submitted in AOIS; if this is not correct, please contact the State Public Charter School Authority with an accurate date.

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

Sincerely,



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

CC: Susan Waters  
SPCSA Board Members  
Beacon Academy Board Members



Exhibit 5

Recommended Motion if the Authority Board Approves  
Beacon's Application for a Charter Contract

Recommended motion if SPCSA Board approves Beacon Academy's application for a charter contract:

"Approve Beacon Academy's (Beacon) application for a charter contract with the following provisions:

1. This approval includes a formal notice to the Governing Body (Board) of Beacon Academy that the school's academic performance, including its graduation and attrition rates, are significantly below the State Public Charter School Authority's (SPCSA) expectations.
2. In consideration of Beacon's academic underperformance, Beacon's student enrollment for school year 2014-15 shall not exceed the school's 2013-14 enrollment. For this purpose, the school year 2013-14 enrollment number used by the Nevada Department of Education for funding Beacon shall apply.
3. High stakes reviews of Beacon's performance, against the SPCSA's expectations, shall be conducted by SPCSA staff. Findings and recommendations shall be presented to the SPCSA Board that may include contract termination due to persistent underperformance or material breach of the terms and conditions of the charter contract, or a return to good standing. The review and recommendations shall be presented to the SPCSA Board in fall, 2015, at which point Beacon must demonstrate substantial progress towards meeting the SPCSA's academic performance expectations. "Substantial progress" will be based on the school's aggregate academic performance based on the Authority's academic indicators that will result in closing the gap between baseline (School year 2012-13) performance and "Adequate" as described in the SPCSA's Performance Framework within two years.
4. Beacon shall not qualify student enrollment only to those who can develop a graduation plan that exits them from high school in no more than the fifth year. Beacon shall enroll pupils in the order in which applications are received and shall not in any way exclude pupils who are credit deficient from enrollment in the school. Beacon shall not remove, withdraw, suspend or expel a pupil against a parent's or guardian's wishes for reasons other than the reasons for suspension or expulsion stated in NRS 392.4655-392.4675 or other applicable statute or regulation.
5. Nothing in the SPCSA's approval of Beacon's contract application precludes the SPCSA from exercising all options available to it, including, without limitation, termination of the charter contract pursuant to NRS 386.535, prior to or after fall, 2015.

6. Beacon shall provide by June 1, 2014, written assurance that it has thoroughly described the use of the Reno facility to building, fire, health, safety and asbestos authorities to enable these authorities to determine what types of inspections and approval are required for the facility.”

Beacon Academy  
FY09-FY13 Academic Summary

**Overall Academic Underperformance**

- FY09-FY11, Did not make AYP (Watch, In Need of Improvement Year 1, In Need of Improvement Hold)
- FY12 NSPF, 2-Star and FY13, 1-star
- 1-star schools represent the lowest 5% of schools.
- Using 2011-2012 NSPF Index Scores, Beacon is ranked 101<sup>st</sup> out of 106 NV High Schools.
- Using 2012-2013 NSPF Index Scores, Beacon is ranked 108<sup>th</sup> out of 110 NV High Schools.
- FY12 SPCSA, Approaches with 26.53 pts. FY13 SPCSA, Unsatisfactory with 9.38 pts.

**Low Graduation Rates**

- FY11—16.17%, FY12—14.35%, FY13—37.6%, 2011 Cohort graduation in 2012 (5<sup>th</sup> year grad rate)—15.94%
- 5<sup>th</sup> year cohort graduation (student belonging to the 2011 cohort graduating in 2012) shows a slight decrease (.23 percentage points) from the original 2011 4<sup>th</sup> year adjusted graduation cohort rate. The 5<sup>th</sup> year graduation rate was 15.94% while the 2011 4-year graduation rate was 16.17%. This is due to the increase in student population belonging to the 2011 cohort during the 2011-2012 school year.

**Low math Proficiency and Growth Rates**

- FY09—41.82%, FY10—14.08%, FY11—47.50%, FY12—53.52% (AYP), FY12—56.7% (NSPF), FY13—42.85%
- Fails to reach a positive % above the cut in all five years.
- Using the FY09-FY13 AYP and NSPF reports, the average number of students with a “Year-in-school” of one and an 11<sup>th</sup> grade cumulative HSPE score in Math was 71. Out of these 71 students, 29 obtained a passing proficiency score of Meets or Exceeds Standard. This means that less than half meet proficiency standards.
- Consistent proficiency numbers falling between the 5<sup>th</sup> and 25<sup>th</sup> percentile.
- Drop in MGP from above the 25<sup>th</sup> percentile in FY12 to below the 5<sup>th</sup> percentile in FY13.

**Reading Proficiency and Growth Rates**

- FY09—45.45%, FY10—46.48%, FY11—85.19%, FY12—84.51% (AYP), FY12—85.71% (NSPF), FY13—67.09%
- Reached a positive % above the cut in FY12.
- Using FY09-FY13 AYP and NSPF reports, the average number of students with a “Year-in-school” of one and an 11<sup>th</sup> grade cumulative score in Reading was 71. Out of these 71 students, 48 obtained a passing proficiency score of Meets or Exceeds Standard.
- FY12 ELA proficiency rates for all students and gap were above the 50<sup>th</sup> percentile; however, FY13 proficiency rates dropped below the 25<sup>th</sup> percentile.
- FY12 NSPF MGP rates dropped from the 25<sup>th</sup> percentile to below the 5<sup>th</sup> percentile in FY13.

**Proficiency Gap Rates**

- FY12 Proficiency Gap Rates for ELA were above the 75<sup>th</sup> percentile but dropped to below the 25<sup>th</sup> percentile in FY13.
- FY12 Proficiency Gap Rates for Math were below the 25<sup>th</sup> percentile and dropped to below the 5<sup>th</sup> percentile in FY13.
- Proficiency Gaps are calculated as the difference between the subgroup proficiency rate and the average statewide performance for the “all students” group. The state average for the “all students” group for ELA was 78.57% and for Math was 72.98%.
- Beacon’s FY12 subpopulation percentage proficient for ELA was 72.72% and in Math was 30.00%. Beacon’s FY13 subpopulation percentage proficient in ELA was 40.00% and in Math was 20.69%. Between FY12 and FY13, Beacon experienced a drop of 30 percentage points in ELA and 9 percentage points in Math.

Beacon Academy

**AYP**

Source: FY09-FY12 NDE AYP final reports

2008/2009	Watch			
•	55 students eligible	100% continuous enrollment		
•	N=55 45.45% ELA	AMO 82.30%		
•	N=55 41.82% Math	AMO 61.80%		
2009/2010	In Need of Improvement Year 1			
•	91 students eligible	78% continuous enrollment		
•	N=71 46.48% ELA	AMO 86.70%		
•	N=71 14.08% Math	AMO 71.30%		
2010/2011	In Need of Improvement Year 1 HOLD			
•	108 students eligible	75% continuous enrollment		
•	N=81 85.19% ELA	AMO 86.70%		
•	N=80 47.50% Math	AMO 71.30%		
2011/2012	Adequate			
•	99 students eligible	71.7% continuous enrollment		
•	N=71 84.51% ELA	AMO 76.92%		
•	N=71 53.52% Math	AMO 81.51%		

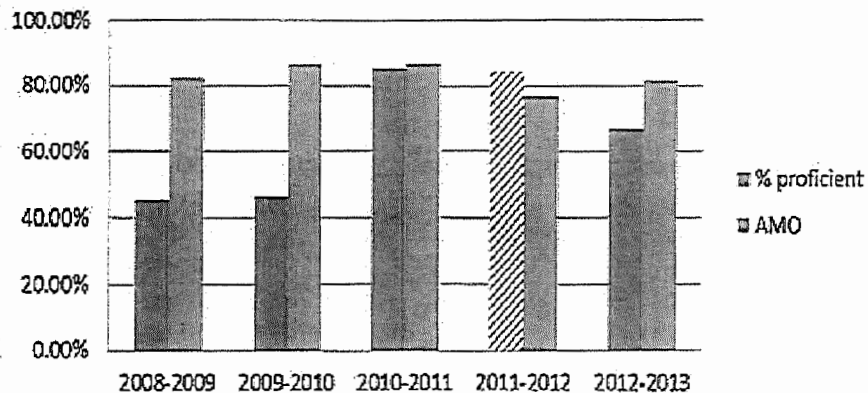
**NSPF/SPCSA**

Source: FY12-FY13 NSPF school reports/FY12-FY13 SPCSA Academic profiles

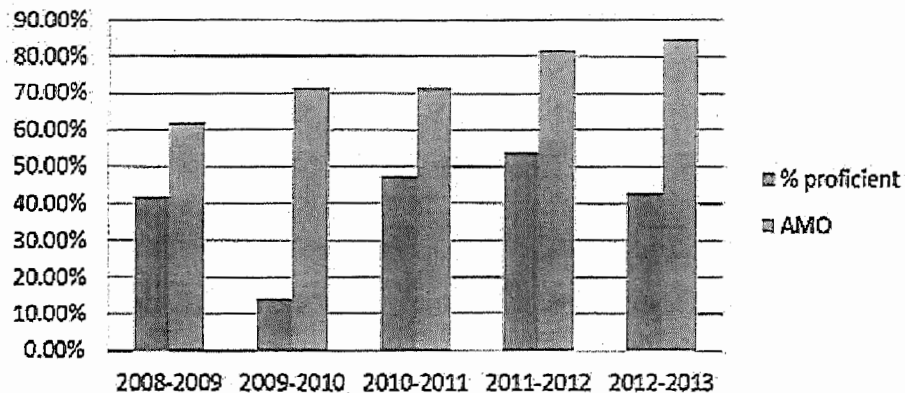
2011/2012	2-star	Approaches (26.53 pts.)		
•	Proficiency 10 <sup>th</sup> grade			
○	N=74 37.84% ELA	>5 <sup>th</sup> percentile <25 <sup>th</sup> percentile		Unsatisfactory
○	N=84 26.2% Math	>5 <sup>th</sup> percentile <25 <sup>th</sup> percentile		Unsatisfactory
•	Proficiency 11 <sup>th</sup> grade			
○	N=70 85.71% ELA	>50 <sup>th</sup> percentile <75 <sup>th</sup> percentile		Adequate
○	N=67 56.7% Math	>5 <sup>th</sup> percentile <25 <sup>th</sup> percentile		Unsatisfactory
•	MGP			
○	N=18 37 ELA	>5 <sup>th</sup> percentile <25 <sup>th</sup> percentile		Unsatisfactory
○	N=18 49.5 Math	>25 <sup>th</sup> percentile <50 <sup>th</sup> percentile		Approaches
•	Proficiency Gap			
○	N=11 -5.87 ELA	>75 <sup>th</sup> percentile <95 <sup>th</sup> percentile		Exceeds
○	N=10 -42.98 Math	>5 <sup>th</sup> percentile <25 <sup>th</sup> percentile		Unsatisfactory
2012-2013	1 star	Unsatisfactory (9.38 pts.)		
•	Proficiency 10 <sup>th</sup> grade			
○	N=116 33.62% ELA	>5 <sup>th</sup> percentile <25 <sup>th</sup> percentile		Unsatisfactory
○	N=121 2.48% Math	<5 <sup>th</sup> percentile		Critical
•	Proficiency 11 <sup>th</sup> grade			
○	N=79 67.09% ELA	>5 <sup>th</sup> percentile <25 <sup>th</sup> percentile		Unsatisfactory
○	N=84 42.85% Math	>5 <sup>th</sup> percentile <25 <sup>th</sup> percentile		Unsatisfactory
•	MGP			
○	N=30 23 ELA	<5 <sup>th</sup> percentile		Critical
○	N=30 24.5 Math	<5 <sup>th</sup> percentile		Critical
•	Proficiency Gap			
○	N=25 -38.6 ELA	>5 <sup>th</sup> percentile <25 <sup>th</sup> percentile		Unsatisfactory
○	N=29 -52.3 Math	<5 <sup>th</sup> percentile		Critical

(Proficiency gaps are calculated as the difference between the subgroup proficiency rate and the average statewide performance for the "all students" group.)

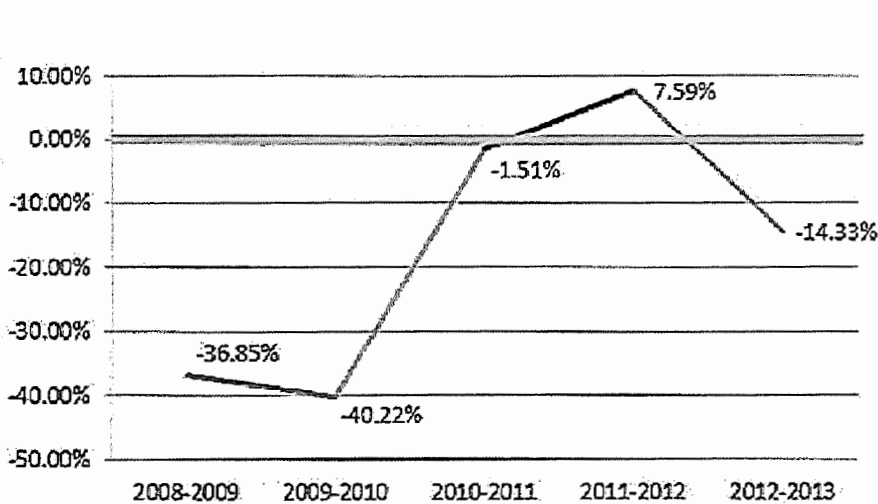
**FY09-FY13 % of 11th grade students proficient in Reading compared to AMO**



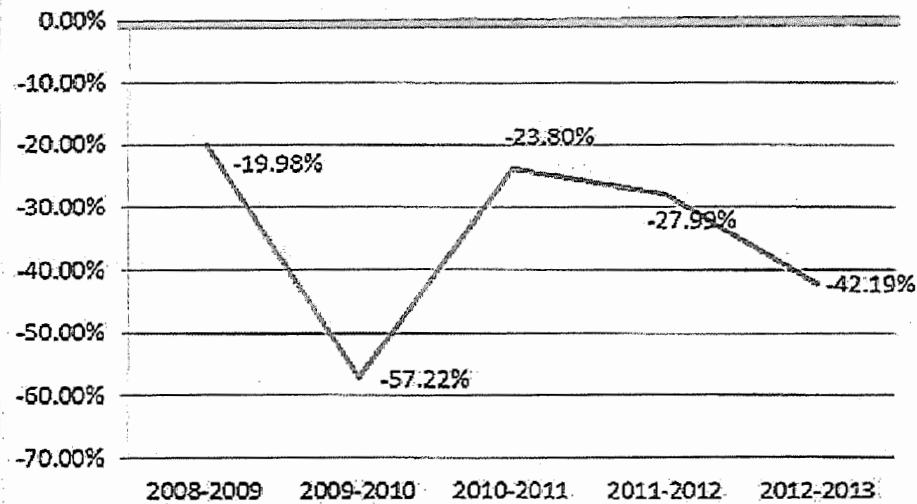
**FY09-FY13 % of 11th grade students proficient in Math compared to AMO**



**FY09-FY13 % above the cut in Reading**



**FY09-FY13 % above the cut in Math**

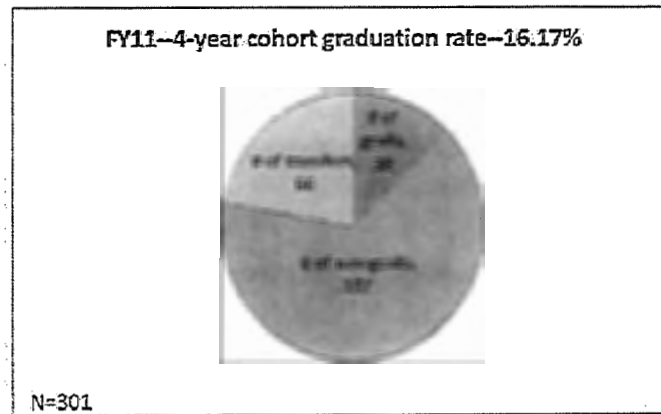


**Graduation Rate**

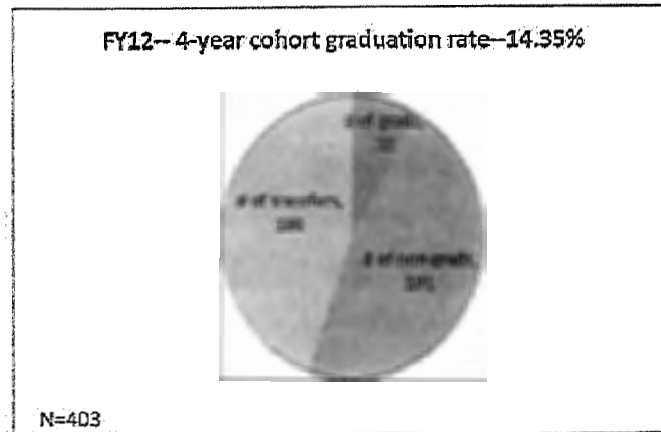
Source: FY11-FY12 NDE graduation rate data files

4-year cohort graduation rate

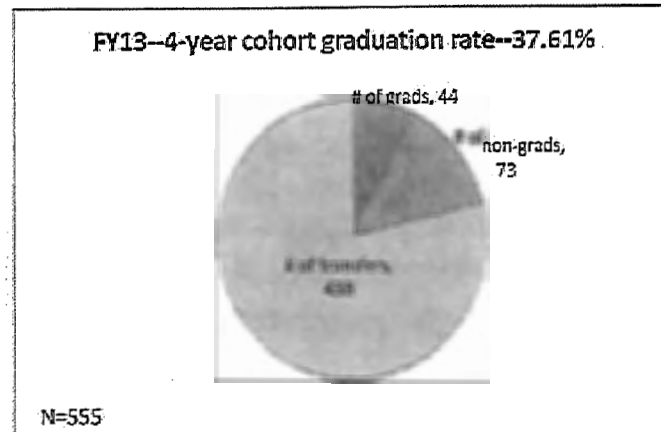
2010/2011	16.17%	Unsatisfactory
• Original cohort #	301	
• ACGR N #	235	
• # of grads	38	
• # of non-grads	197	
• # of transfers	66	
• *Attrition	21.93%	



2011/2012	14.35%	Unsatisfactory
• Original cohort #	403	
• ACGR N #	223	
• # of grads	32	
• # of non-grads	191	
• # of transfers	180	
• *Attrition	44.67%	



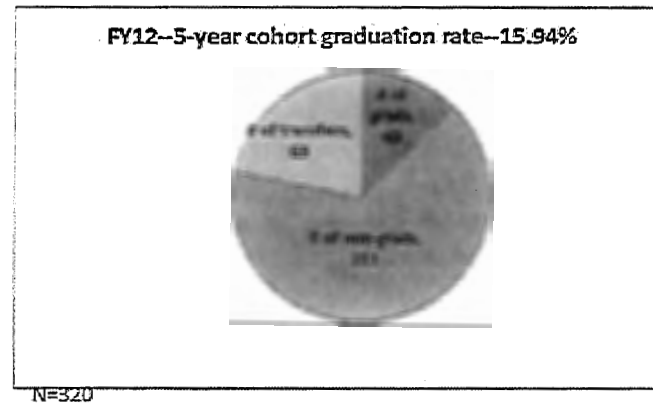
2012/2013	37.61%	Unsatisfactory
• Original cohort #	555	
• ACGR N #	117	
• # of grads	44	
• # of non-grads	73	
• # of transfers	438	
• *Attrition	78.92%	



\*Attrition equals the number of students from the original cohort transferring out before graduation.

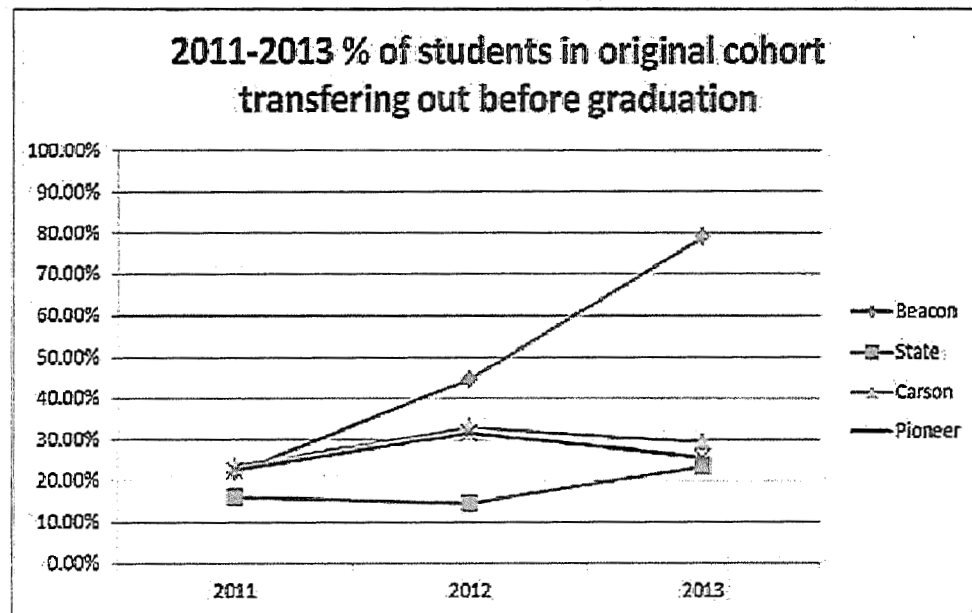
5<sup>th</sup> year cohort graduation rate

2010/2011 cohort graduating in 2012	15.94%	Unsatisfactory
• Original cohort #	320	
• ACGR N #	251	
• # of grads	40	
• # of non-grads	211	
• # of transfers	69	



**Attrition Rates**  
Source: Nevada Report Card

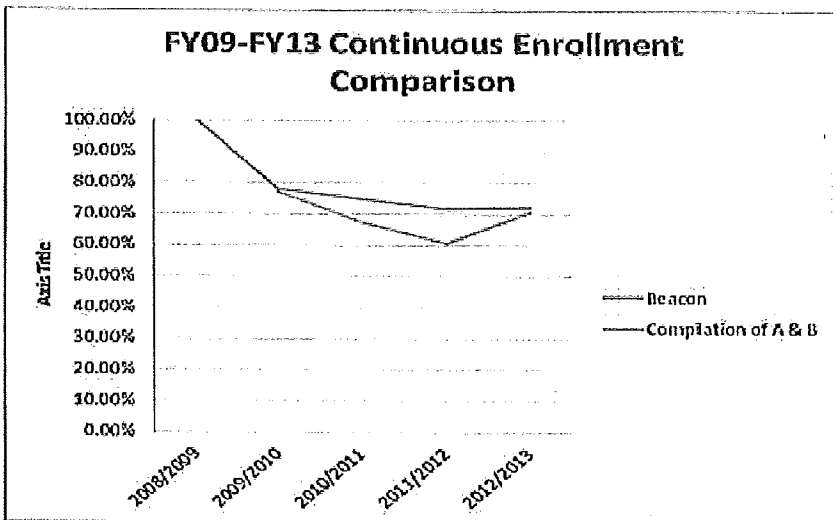
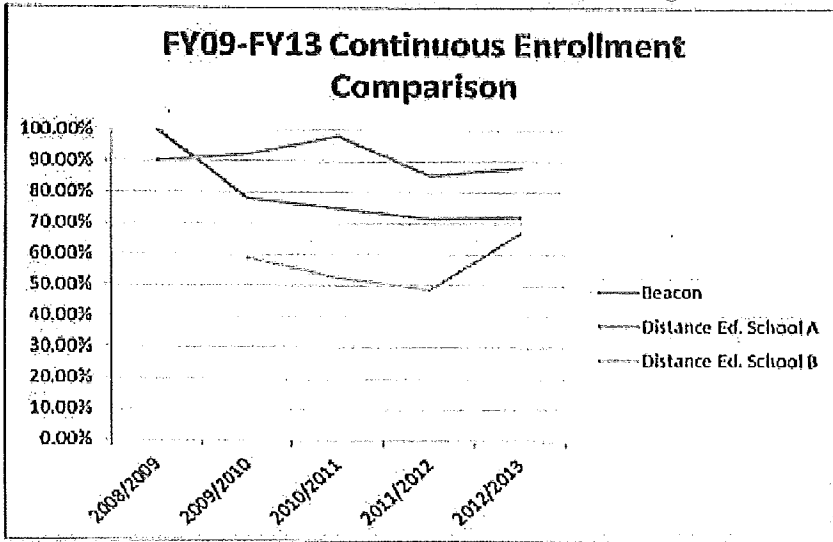
Graduation Year	Beacon	State	Carson	Pioneer
2011	21.93%	15.97%	23.61%	22.58%
2012	44.67%	14.46%	32.98%	31.45%
2013	78.92%	23.46%	29.37%	25.37%



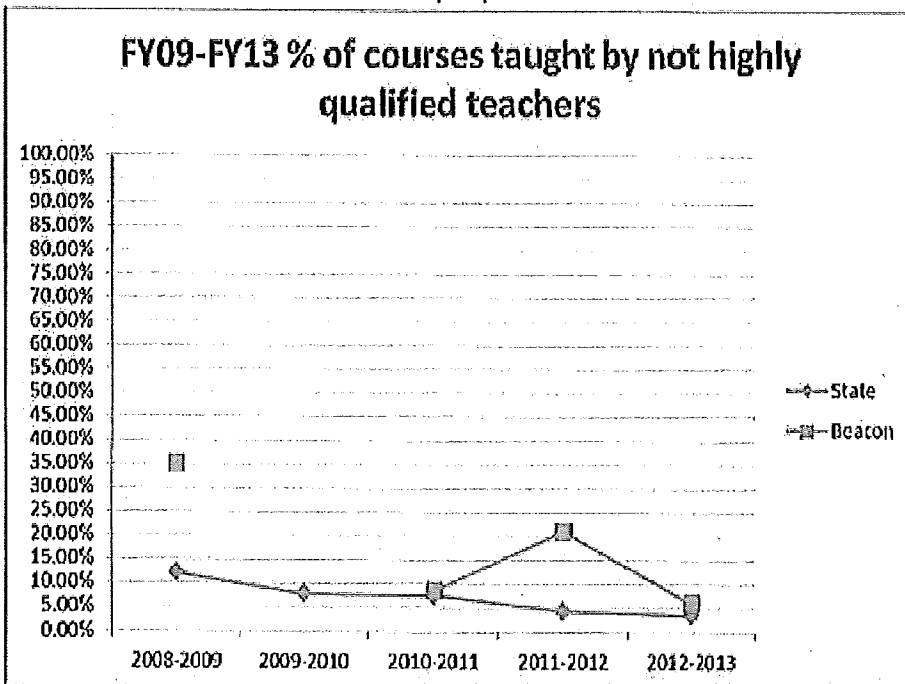
\*Attrition equals the number of students from the original Cohort transferring out before graduation.



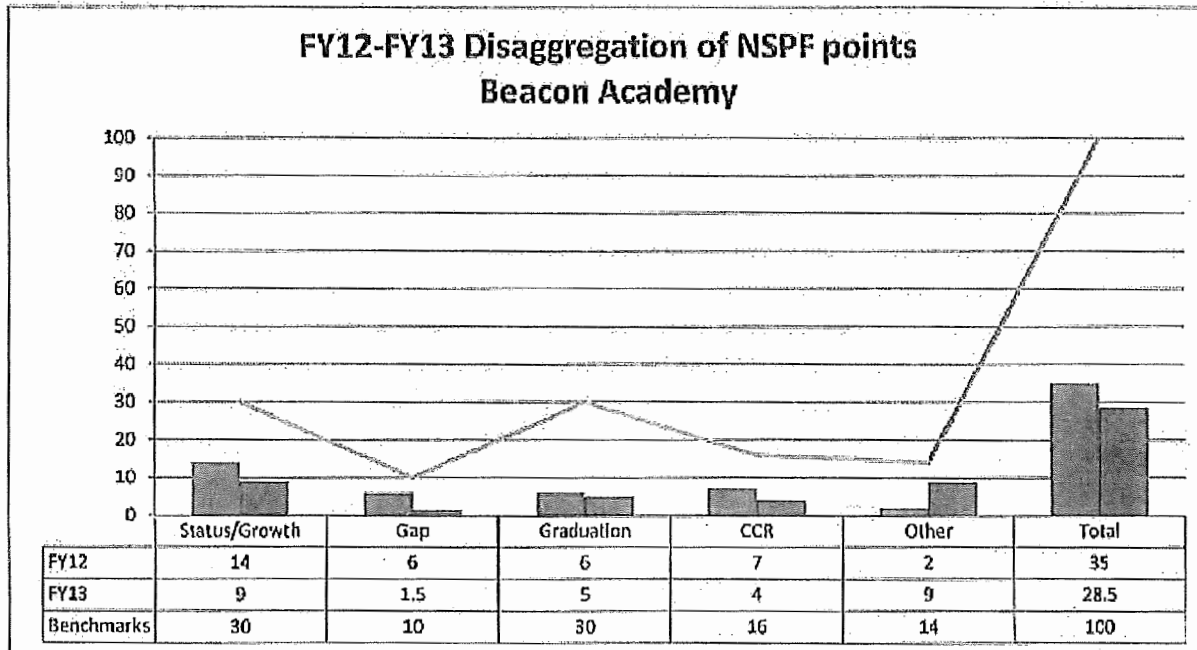
Source: FY09-FY12 AYP Reports and FY13 HSPE state testing data files



Source: FY09-FY12 State Accountability Reportcard and FY13 Annual Teacher Salary Report



	FY12	FY13	Benchmarks
Status/Growth	14	9	30
Gap	6	1.5	10
Graduation	6	5	30
CCR	7	4	16
Other	2	9	14
Total	35	28.5	100



	2012 Beacon	2012 State	2013 Beacon	2013 State	pts. Possilbe	Total by category
10th grade Prof. R	37.8	56.64	33.6	57.03	5	30
10th grade Prof. M	26.2	57.12	2.5	33.58	5	
11th grade Prof. R	85.7	79.47	67.1	81.54	5	
11th grade Prof. M	56.7	76.05	42.9	78.04	5	
MGP R	37	51	23	51	5	
MGP M	49.5	51	24.5	51	5	10
Gap R	-5.9	-11.88	-38.6	-9.03	5	
Gap M	-43	-9.01	-52.3	-6.49	5	30
Graduation Gap FRL			-51.3	-3.6	5	
Graduation Gap IEP			-46.8	-37.54	5	
Graduation Gap ELL			-61.8	-39.13	5	
Graduation Gap Super Group	-45.9	-11.36			15	
Graduation	16.4	61.65	14.4	63.08	15	16
% Remediation NSHE	30	33.46		31.36	4	
% Advanced Dip	18.4	29.12	9.4	29.55	4	
% AP/College Credit	1.1	28.3	1.9	26.77	4	
% ACT/SAT participation	3.5	22.11	7.9	17.97	4	14
% Credit Deficient (9th)	69.8	14.98	57	14.79	4	
Average Daily Attendance	77.1	92.96	96.9	92.76	10	

2011-2012

Beacon Academy of Nevada  
9-12 school with a student population of 679

	GROWTH	COMPARISON	STATUS	GAP	CAREER & COLLEGE READY
409.3	<del>AGP Reading (EL, MS)</del>	<del>AGP Math (EL, MS)</del>	U MGP Reading (EL, MS, HS)	AP MGP Math (EL, MS, HS)	Not Available
	Not Available	Not Available	EXPLORE to PLAN Growth Reading (HS)	EXPLORE to PLAN GROWTH Math (HS)	
	AP	AP	Comparison--Reading (EL, MS, HS)	U	Comparison--Math (EL, MS, HS)
		AD	Reading Proficiency (EL, MS, HS)	U	Math Proficiency (EL, MS, HS)
		Not Available	EXPLORE Proficiency (MS, HS)	Not Available	PLAN Proficiency (MS, HS)
			<del>GAP Reading AGP (EL, MS)</del>		<del>GAP Math AGP (EL, MS)</del>
		EC	GAP Reading Proficiency (HS)	U	GAP Math Proficiency (HS)
		U	Graduation Rate (HS)	U	
		Not Available	Post Secondary Fall (HS)		Post Secondary 18 months (HS)
		Not Available	Employment (HS)		

EX	Exceptional	≥95
EC	Exceeds	≥75 and <95
AD	Adequate	≥50 and <75
AP	Approaches	≥25 and <50
U	Unsatisfactory	25 and <25
C	Critical	<5

409.3 26.53 AP  
Overall School Rating: 26.53 AP

Testing Population		Percentage of students continuously enrolled
409.3	Grade Level: Secondary	71.72%
State of NV	Secondary	94.50%

409.3	NSPF Rating
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**Beacon Academy of Nevada**

9-12 school with a student population of 732

SPCSA Overall School Rating  
 9-38 U  
 Does Not Meet Standard.

409.3	GROWTH				GAP				STATUS								CAREER & COLLEGE READY						
	MGP Reading (EL, MS, HS)	MGP Math (EL, MS, HS)	AGP Reading Comparison (EL, MS)	AGP Reading (EL, MS)	AGP Math (EL, MS)	EXPLORE to PLAN Growth English (HS)	EXPLORE to PLAN Growth Math (HS)	GAP Reading AGP (EL, MS)	GAP Math AGP (EL, MS)	GAP Reading Proficiency (HS)	GAP Math Proficiency (HS)	Reading Proficiency (EL, MS, HS)	Math Proficiency (EL, MS, HS)	Proficiency Reading Comparison (HS)	Proficiency Math Comparison (HS)	EXPLORE Proficiency English (MS, HS)	EXPLORE Proficiency Math (MS, HS)	PLAN Proficiency English (HS)	PLAN Proficiency Math (HS)	Graduation Rate 1-Year (HS)	Graduation Rate 5-Year (HS)	Post Secondary Readiness (HS)	
	2	1	NA	NA	NA	NA	NA	NA	NA	U	1	U	U	U	NA	NA	NA	NA	NA	U	U	NA	

Weighted N Percentage Total Pts  
 732 1 9,375

School Level Rating N Total Pts Rating  
 409.3 732 9,375 U

Quality  
 EX Exceptional ≥95  
 EC Exceeds ≥75 and <95  
 AD Adequate ≥50 and <75  
 AP Approaches ≥25 and <50  
 U Unsatisfactory ≥5 and <25  
 C Critical <5  
 NA Missing or Not Applicable

Continuous Enrollment Eligible YIS %  
 409.3 303 221 72.94%

NSPF Rating  
 409.3 One-Star

STATE PUBLIC CHARTER SCHOOL AUTHORITY

SUPPORTING DOCUMENT

**S U B J E C T:** Report on and possible consideration of Coral Academy's proposed purchase of real property

- /  /   Public Workshop
- /  /   Public Hearing
- /  /   Consent Agenda
- /  /   Regulation Adoption
- /  /   Approval
- /  /   Appointments
- /  x/   Information
- /  x/   Action

MEETING DATE: April 25, 2014

AGENDA ITEM: 6

NUMBER OF ENCLOSURE(S): 1

**PRESENTER(S):** Allyson Kellogg, Management Analyst, SPCSA

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**RECOMMENDATION:** Approve

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**FISCAL IMPACT:**

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**BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):** \_\_\_\_\_

**LENGTH OF TIME EXPECTED FOR PRESENTATION (IN MINUTES):** 15 mins

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**BACKGROUND:**

**SUBMITTED BY:** \_\_\_\_\_

### **The Borrower and the Project**

The Borrower is Coral Academy of Science Las Vegas (CASLV), a governmental entity created pursuant to Nevada State Law.

CASLV is a K-12 charter school chartered by the State Public Charter School Authority of Nevada. The School operates on three campuses serving grades K-12. Total 2013-2014 enrollment for CASLV is 1379 students. The Sandy Ridge Campus is located at 1051 Sandy Ridge Avenue in Henderson, Nevada and serves grades 6-12 with 663 students enrolled in the 2013-2014 school year. The Tamarus Campus of CASLV is located at 8185 Tamarus Street in Las Vegas, Nevada and serves grades K-2 with 362 students enrolled for the 2013-2014 school year. The Windmill Campus of CASLV is located at 2150 Windmill Parkway in Henderson, Nevada and serves grades 3 through 5 with 354 students enrolled in 2013-2014 school year.

The facility to be acquired is located at 1051 Sandy Ridge (the "Sandy Ridge Facility") and consists of a two-story building situated on a land area of 4.98 acres or 216,929 square feet with a total of 81 parking spaces. The gross building area is 35,944 square feet with 26 classrooms, a greenhouse, a preschool wing, and a library. In addition to the main building, the site is improved with a fine arts building that includes an auditorium, stage area and a media center. The facility accommodates a total capacity of 750 students, with 663 students currently enrolled in the School.

CASLV plans to purchase the Sandy Ridge Facility with proceeds of the Bonds for a cost of \$7,982,500. CASLV has been located in the Sandy Ridge Campus for over three-and-a-half years. Current lease payments on the Facility are \$60,000 monthly or \$720,000 annually. Once the bonds close and the proceeds are used to purchase the facility, estimated payments due to the school will be approximately \$57,000 to \$58,000 monthly, with savings to the school of \$24,000 to \$36,000 annually.

An appraisal of the Sandy Ridge Facility was conducted on December 27, 2013 by Horizon Village Realty Appraisal indicating an "as is" market value of \$9,301,476.00.

### **The Bonds**

The Borrower has requested that the Issuer issue the Series 2014 Bonds, in the amount of approximately \$9,315,000 and loan the proceeds thereof to the Borrower. The Borrower intends to use the proceeds of the Series 2014 Bonds to (i) acquire the Facility, to be owned by the Borrower, (ii) fund the Reserve Account and the Repair and Replacement Fund as required by the Indenture; and to (iii) pay certain costs of issuance.

Proceeds of the Series 2014 Bonds in the Project Fund will be disbursed to the Borrower to acquire the Facility pursuant to the Loan Agreement and the Indenture. Pursuant to the Loan Agreement, the Borrower will make certain representations and

covenants related to maintaining the exclusion from gross income for federal income tax purposes of interest on the Series 2014 A Bonds.

Pursuant to the Indenture, the Issuer has pledged to the Trustee, for the benefit of the holders of the Series 2014 Bonds, all of its interest in the Loan Agreement (other than certain retained rights, including those relating to indemnification and expense reimbursement payments), to secure payment of the principal of, premium, if any, and interest on the Series 2014 Bonds. Pursuant to a Deed of Trust, dated as of April 1, 2014 (the "Deed of Trust"), executed by the Borrower with respect to the Facility, in favor of the Deed of Trust trustee, as beneficiary, for the benefit of the Issuer, the payment of the principal of, premium, if any, and interest on the Series 2014 Bonds will be secured by a first position deed of trust on and security interest in the Facility, subject to certain "Permitted Encumbrances" described in the Deed of Trust

On the date of issuance of the Series 2014 Bonds, \$704,306, of Bond proceeds, which is the Reserve Account Requirement for the Series 2014 Bonds, will be deposited in the Reserve Account created under the Indenture. Earnings on amounts in the Reserve Account will be deposited therein, so long as the balance therein is less than the Reserve Account Requirement. Amounts in the Reserve Account will secure the Series 2014 Bonds and may be used by the Trustee to pay principal of, premium, if any, and interest on the Series 2014 Bonds in the event monies in the Revenue Fund are insufficient for such purpose.

NET DEBT SERVICE

Public Finance Authority  
 Education Revenue Bonds  
 (Coral Academy of Science, Las Vegas)  
 Series 2014  
 \*\*\*\*\*  
 Preliminary

Period Ending	Principal	Interest	Total Debt Service	Debt Service Reserve Fund	Net Debt Service
07/01/2014	-	100,265.57	100,265.57	-	100,265.57
07/01/2015	110,000	591,731.26	701,731.26	-	701,731.26
07/01/2016	115,000	585,681.26	700,681.26	-	700,681.26
07/01/2017	125,000	579,356.26	704,356.26	-	704,356.26
07/01/2018	130,000	572,481.26	702,481.26	-	702,481.26
07/01/2019	135,000	565,331.26	700,331.26	-	700,331.26
07/01/2020	145,000	557,906.26	702,906.26	-	702,906.26
07/01/2021	150,000	549,931.26	699,931.26	-	699,931.26
07/01/2022	160,000	541,681.26	701,681.26	-	701,681.26
07/01/2023	170,000	532,881.26	702,881.26	-	702,881.26
07/01/2024	180,000	523,531.26	703,531.26	-	703,531.26
07/01/2025	190,000	513,631.26	703,631.26	-	703,631.26
07/01/2026	200,000	501,756.26	701,756.26	-	701,756.26
07/01/2027	215,000	489,256.26	704,256.26	-	704,256.26
07/01/2028	225,000	475,818.76	700,818.76	-	700,818.76
07/01/2029	240,000	461,756.26	701,756.26	-	701,756.26
07/01/2030	255,000	446,756.26	701,756.26	-	701,756.26
07/01/2031	270,000	430,818.76	700,818.76	-	700,818.76
07/01/2032	285,000	413,943.76	698,943.76	-	698,943.76
07/01/2033	305,000	396,131.26	701,131.26	-	701,131.26
07/01/2034	325,000	377,068.76	702,068.76	-	702,068.76
07/01/2035	345,000	356,756.26	701,756.26	-	701,756.26
07/01/2036	370,000	333,900.00	703,900.00	-	703,900.00
07/01/2037	390,000	309,387.50	699,387.50	-	699,387.50
07/01/2038	420,000	283,550.00	703,550.00	-	703,550.00
07/01/2039	445,000	255,725.00	700,725.00	-	700,725.00
07/01/2040	475,000	226,243.76	701,243.76	-	701,243.76
07/01/2041	505,000	194,775.00	699,775.00	-	699,775.00
07/01/2042	540,000	161,318.76	701,318.76	-	701,318.76
07/01/2043	575,000	125,543.76	700,543.76	-	700,543.76
07/01/2044	1,320,000	87,450.00	1,407,450.00	704,356.26	703,093.74
	9,315,000	12,542,365.81	21,857,365.81	704,356.26	21,153,009.55



BOND DEBT SERVICE

Public Finance Authority  
 Education Revenue Bonds  
 (Coral Academy of Science, Las Vegas)

Series 2014

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Preliminary

Dated Date 04/30/2014

Delivery Date 04/30/2014

Period Ending	Principal	Coupon	Interest	Debt Service
07/01/2014	-	-	100,265.57	100,265.57
07/01/2015	110,000	5.500%	591,731.26	701,731.26
07/01/2016	115,000	5.500%	585,681.26	700,681.26
07/01/2017	125,000	5.500%	579,356.26	704,356.26
07/01/2018	130,000	5.500%	572,481.26	702,481.26
07/01/2019	135,000	5.500%	565,331.26	700,331.26
07/01/2020	145,000	5.500%	557,906.26	702,906.26
07/01/2021	150,000	5.500%	549,931.26	699,931.26
07/01/2022	160,000	5.500%	541,681.26	701,681.26
07/01/2023	170,000	5.500%	532,881.26	702,881.26
07/01/2024	180,000	5.500%	523,531.26	703,531.26
07/01/2025	190,000	6.250%	513,631.26	703,631.26
07/01/2026	200,000	6.250%	501,756.26	701,756.26
07/01/2027	215,000	6.250%	489,256.26	704,256.26
07/01/2028	225,000	6.250%	475,818.76	700,818.76
07/01/2029	240,000	6.250%	461,756.26	701,756.26
07/01/2030	255,000	6.250%	446,756.26	701,756.26
07/01/2031	270,000	6.250%	430,818.76	700,818.76
07/01/2032	285,000	6.250%	413,943.76	698,943.76
07/01/2033	305,000	6.250%	396,131.26	701,131.26
07/01/2034	325,000	6.250%	377,068.76	702,068.76
07/01/2035	345,000	6.625%	356,756.26	701,756.26
07/01/2036	370,000	6.625%	333,900.00	703,900.00
07/01/2037	390,000	6.625%	309,387.50	699,387.50
07/01/2038	420,000	6.625%	283,550.00	703,550.00
07/01/2039	445,000	6.625%	255,725.00	700,725.00
07/01/2040	475,000	6.625%	226,243.76	701,243.76
07/01/2041	505,000	6.625%	194,775.00	699,775.00
07/01/2042	540,000	6.625%	161,318.76	701,318.76
07/01/2043	575,000	6.625%	125,543.76	700,543.76
07/01/2044	1,320,000	6.625%	87,450.00	1,407,450.00
	9,315,000		12,542,365.81	21,857,365.81

**BOND SUMMARY STATISTICS**

Public Finance Authority  
Education Revenue Bonds  
(Coral Academy of Science, Las Vegas)  
Series 2014

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Preliminary

Dated Date	04/30/2014
Delivery Date	04/30/2014
Last Maturity	07/01/2044
Arbitrage Yield	6.544599%
True Interest Cost (TIC)	6.736958%
Net Interest Cost (NIC)	6.637894%
All-In TIC	7.005390%
Average Coupon	6.495661%
Average Life (years)	20.729
Duration of Issue (years)	10.892
Par Amount	9,315,000.00
Bond Proceeds	9,226,663.95
Total Interest	12,542,365.81
Net Interest	12,817,001.86
Total Debt Service	21,857,365.81
Maximum Annual Debt Service	1,407,450.00
Average Annual Debt Service	724,486.85
Underwriter's Fees (per \$1000)	
Average Takedown	-
Other Fee	20.000000
Total Underwriter's Discount	20.000000
Bid Price	97.051680

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Tax Exempt Term Bond - 2024	1,420,000.00	100.000	5.500%	6.113	06/09/2020	1,093.40
Tax Exempt Term Bond - 2034	2,510,000.00	98.581	6.250%	16.157	06/26/2030	2,811.20
Tax Exempt Term Bond - 2044	5,385,000.00	99.021	6.625%	26.714	01/15/2041	6,892.80
	9,315,000.00			20.729		10,797.40

	TIC	All-In TIC	Arbitrage Yield
Par Value	9,315,000.00	9,315,000.00	9,315,000.00
+ Accrued Interest	-	-	-
+ Premium (Discount)	(88,336.05)	(88,336.05)	(88,336.05)
- Underwriter's Discount	(186,300.00)	(186,300.00)	
- Cost of Issuance Expense		(250,000.00)	
- Other Amounts	-	-	-
Target Value	9,040,363.95	8,790,363.95	9,226,663.95
Target Date	04/30/2014	04/30/2014	04/30/2014
Yield	6.736958%	7.005390%	6.544559%

**BOND PRICING**

Public Finance Authority  
Education Revenue Bonds  
(Coral Academy of Science, Las Vegas)  
Series 2014

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Preliminary

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Premium (-Discount)
Tax Exempt Term Bond - 2024:						
	07/01/2015	110,000	5.500%	5.500%	100.000	-
	07/01/2016	115,000	5.500%	5.500%	100.000	-
	07/01/2017	125,000	5.500%	5.500%	100.000	-
	07/01/2018	130,000	5.500%	5.500%	100.000	-
	07/01/2019	135,000	5.500%	5.500%	100.000	-
	07/01/2020	145,000	5.500%	5.500%	100.000	-
	07/01/2021	150,000	5.500%	5.500%	100.000	-
	07/01/2022	160,000	5.500%	5.500%	100.000	-
	07/01/2023	170,000	5.500%	5.500%	100.000	-
	07/01/2024	180,000	5.500%	5.500%	100.000	-
		<u>1,420,000</u>				-
Tax Exempt Term Bond - 2034:						
	07/01/2025	190,000	6.250%	6.375%	98.581	(2,696.10)
	07/01/2026	200,000	6.250%	6.375%	98.581	(2,838.00)
	07/01/2027	215,000	6.250%	6.375%	98.581	(3,050.85)
	07/01/2028	225,000	6.250%	6.375%	98.581	(3,192.75)
	07/01/2029	240,000	6.250%	6.375%	98.581	(3,405.60)
	07/01/2030	255,000	6.250%	6.375%	98.581	(3,618.45)
	07/01/2031	270,000	6.250%	6.375%	98.581	(3,831.30)
	07/01/2032	285,000	6.250%	6.375%	98.581	(4,044.15)
	07/01/2033	305,000	6.250%	6.375%	98.581	(4,327.95)
	07/01/2034	325,000	6.250%	6.375%	98.581	(4,611.75)
		<u>2,510,000</u>				<u>(35,616.90)</u>
Tax Exempt Term Bond - 2044:						
	07/01/2035	345,000	6.625%	6.700%	99.021	(3,377.55)
	07/01/2036	370,000	6.625%	6.700%	99.021	(3,622.30)
	07/01/2037	390,000	6.625%	6.700%	99.021	(3,818.10)
	07/01/2038	420,000	6.625%	6.700%	99.021	(4,111.80)
	07/01/2039	445,000	6.625%	6.700%	99.021	(4,356.55)
	07/01/2040	475,000	6.625%	6.700%	99.021	(4,650.25)
	07/01/2041	505,000	6.625%	6.700%	99.021	(4,943.95)
	07/01/2042	540,000	6.625%	6.700%	99.021	(5,286.60)
	07/01/2043	575,000	6.625%	6.700%	99.021	(5,629.25)
	07/01/2044	1,320,000	6.625%	6.700%	99.021	(12,922.80)
		<u>5,385,000</u>				<u>(52,719.15)</u>
		<u>9,315,000</u>				<u>(88,336.05)</u>

Dated Date	04/30/2014	
Delivery Date	04/30/2014	
First Coupon	07/01/2014	
Par Amount	9,315,000.00	
Original Issue Discount	(88,336.05)	
Production	9,226,663.95	99.051680%
Underwriter's Discount	(186,300.00)	(2.000000%)
Purchase Price	9,040,363.95	97.051680%
Accrued Interest	-	
Net Proceeds	9,040,363.95	

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SOURCES AND USES OF FUNDS

Public Finance Authority  
Education Revenue Bonds  
(Coral Academy of Science, Las Vegas)  
Series 2014

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Preliminary

Dated Date            04/30/2014  
Delivery Date        04/30/2014

Sources:

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Bond Proceeds:

Par Amount	9,315,000.00
Original Issue Discount	(88,336.05)

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9,226,663.95

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Uses:

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Project Fund Deposits:

Deposit to Project Fund	7,982,500.00
Replacement Reserve Fund	100,000.00
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	8,082,500.00

Other Fund Deposits:

Debt Service Reserve Fund	704,356.26
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Delivery Date Expenses:

Cost of Issuance	250,000.00
Underwriter's Discount	186,300.00
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	436,300.00

Other Uses of Funds:

Additional Proceeds	3,507.69
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9,226,663.95

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STATE PUBLIC CHARTER SCHOOL AUTHORITY

SUPPORTING DOCUMENT

**S U B J E C T: Member Comment**

<u>  /  /  </u>	Public Workshop
<u>  /  /  </u>	Public Hearing
<u>  /  /  </u>	Consent Agenda
<u>  /  /  </u>	Regulation Adoption
<u>  /  /  </u>	Approval
<u>  /  /  </u>	Appointments
<u>  /  x/  </u>	Information
<u>  /  /  </u>	Action

MEETING DATE: April 25, 2014

AGENDA ITEM: 7

NUMBER OF ENCLOSURE(S): 1

**PRESENTER(S):**

**RECOMMENDATION:**

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**FISCAL IMPACT:**

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**BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):**

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**LENGTH OF TIME EXPECTED FOR PRESENTATION (IN MINUTES): 15 mins**

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**BACKGROUND:**

**SUBMITTED BY:** \_\_\_\_\_