

**NEVADA STATE PUBLIC CHARTER SCHOOL AUTHORITY**

**July 13, 2015**

Nevada Department of Education  
Conference Room  
9890 South Meadows Parkway  
Las Vegas, Nevada

And

Nevada Department of Education  
700 East 5<sup>th</sup> Street  
Room 2135  
Carson City, Nevada

**MINUTES OF THE MEETING**

**BOARD MEMBERS PRESENT:**

**In Las Vegas:**

Kathleen Conaboy  
Robert McCord  
Michael Van  
Melissa Mackedon

**In Carson City:**

None

**BOARD MEMBERS ABSENT**

Nora Luna  
Elissa Wahl  
Marc Abelman (left half way through meeting)

**AUTHORITY STAFF PRESENT:**

**In Las Vegas:**

Patrick Gavin, Director, State Public Charter School Authority  
Joan Jurgensen, Education Program Professional, State Public Charter School Authority  
Nya Berry, Education Programs Professional, State Public Charter School Authority  
Traci House, Business Process Analyst, State Public Charter School Authority

**In Carson City:**

Jessica Hoban, Administrative Services Officer, State Public Charter School Authority  
Angela Blair, Education Program Professional, State Public Charter School Authority  
Kathy Robson, Education Program Professional, State Public Charter School Authority  
Katie Higday, Management Analyst, State Public Charter School Authority  
Danny Peltier, Administrative Assistant, State Public Charter School Authority

**LEGAL STAFF PRESENT:**

**In Carson City:**

Greg Ott, Deputy Attorney General

**AUDIENCE IN ATTENDANCE:**

**In Las Vegas:**

Attendance Sheet Attached

**In Carson City:**

Attendance Sheet Attached

**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.

Member McCord asked for a motion for a flexible agenda. Chair Conaboy agreed and called for a motion for a flexible agenda. Member Van motioned for flexible agenda, Member McCord seconded. There was no further discussion. The motion carried unanimously.

**Agenda Item 1 - Public Comment**

Laura Feinman, representative of Charter Schools Development Corporation, spoke in support of the Founders Academy agenda item. She also wanted to inform the Authority that her organization was entering the Nevada market. Their mission is to assist charter schools with the acquisition of facilities. They have different programs to assist schools in development, purchasing and financing of charter facilities.

Chair Conaboy also said that Agenda Item 7 and 14 would be moved to the August board meeting

**Agenda Item 5 - Overview and Update of SPCSA and NDE progress on submission of the 2015 Federal CSP**

Director Gavin explained the process of submitting an application for the Federal CSP grant. Nevada had received the grant in the past, but had been passed over recently. He explained the CSP grant dollars would be used for startup costs for charter schools. He said the money could be used for training, professional development, and curriculum costs. The federal grant is not allowed to be used for facilities costs however.

**Agenda Item 9 - Consideration of Mater Academy's interest in applying with Mater Florida for the federal charter school program replication and expansion grant**

Director Gavin said there was an additional federal grant category that allowed individual charter schools to submit applications for access to this money. Collin Ringers, Sheila Moulton, Ricard, spoke on behalf of Mater Academy and Academica. They were requesting a letter of recommendation from the Authority to assist them in their application submission. Mr. Ringer explained the grant would be used for charter school management companies that serve low income students to expand their campuses to serve more of these types of students. Mater Florida would be the lead applicant but if the applicant was chosen, the money would be used at Mater Nevada too. Member McCord asked if this letter would only be in reference to Mater Academy in Nevada. Mr. Ringer agreed the letter would only be in reference to Nevada Mater Academy.

**Member McCord moved for approval of a letter of support from the Authority. Member Mackedon seconded. There was no further discussion. The motion carried unanimously.****Agenda Item 10 - Update on the progress of Equipo Academy for starting in the Fall of 2015**

Members of Equipo Academy were not present at the meeting yet, so Chair Conaboy postponed their agenda item to later in the meeting.

**Agenda Item 11 - Appoint SPCSA Board Member to preside over Nevada Virtual Academy Amendment request**

Chair Conaboy disclosed that Nevada Virtual Academy is her client at McDonald Carano Wilson and therefore she would be recusing herself from the discussion.

**Member Abelman motioned for Member McCord to serve as the chair for the Nevada Virtual amendment request. Member Van seconded. There was no further discussion. The motion carried unanimously**

Chair Conaboy asked that Deputy Attorney General Ott clarify the Authority's quorum policy as there would only be 4 members voting on the proposed amendment. Mr. Ott said that since the Authority is a 7 member board and a majority of the members must be present to vote, 4 members would suffice for the amendment request hearing.

**Agenda Item 12 - Nevada Virtual Academy amendment request pursuant to NAC 386.325**

Don Curry, chair of NVVAA board; Karen Hendricks, counsel for NVVA, Caroline McIntosh, head of NVVA; and Danny Diamond, Principal of NVVA spoke on behalf of NVVA. Mr. Curry began by asking Mr. Diamond for an overview of past events at NVVA and why this amendment request was being submitted to the Authority.

Mr. Diamond said the school had been working very hard on their improvement since their renewal hearing with the Authority in 2013. He said they have worked to improve the orientation process for students, hired instructional coaches to help the teachers in an online environment, they put together a data driven instructional team to compile data to analyze and bring to life for the benefit of the teachers in the classroom. He said the proficiency rates at their high school has gone up in all of the necessary metrics, the graduation rate had almost doubled. All in all, he said the trends at NVVA were improving. Mr. Diamond explained that NVVA felt a blended instruction model would better serve the students at NVVA.

Ms. Hendricks said there were a series of amendments NVVA was requesting. They wished to change the enrollment cap to reflect numbers from the 2013-2014 school year as opposed to the 2014-2015 school year. She also spoke about the marketing concerns of NVVA that were brought up during the renewal hearing. She said the school wishes to market again in order to better serve students and reach out to students who may not know about NVVA otherwise. She said the school also had concerns in the recommendation letter from Director Gavin that would only limit NVVA enrollment of students to Clark County.

Member McCord asked members of the Authority for questions. Member Van asked about the face-to-face instruction at the facility that Mr. Diamond talked about. Ms. McIntosh said that was what NVVA was planning because they felt some students did better with more face-to-face instruction as opposed to only virtual education. Member Van asked how many students outside of Clark County attend NVVA. Ms. McIntosh said about seventy percent of students that attend NVVA live in Clark County with the other thirty percent made up from around the state.

Member McCord asked why the school had such a precipitous decline in attendance. Ms. McIntosh said the limitations that were placed on the marketing the school could engage in had hurt the schools attendance dramatically. She said the school wanted to follow the direction of the SPCSA, but felt it was a burden on a statewide virtual school. Member McCord asked if the school had tracked exiting students to see where they were attending after they school. Ms. McIntosh said many of the students leave the school at the end of the 8<sup>th</sup> grade year. She said most of the students that leave after 8<sup>th</sup> grade are their most proficient but they choose to attend brick and mortar high schools. Ms. McIntosh said the 2013-2014 data

showed that NVVA had the highest FRL population of any charter school. She found that some of the students were struggling being home alone and therefore, chose to go back to a regular school in order to have more contact with other pupils and teachers. Mr. Curry also added the NVVA board has been concerned about the same things the Authority had brought up. He said they requested that data be gathered to see why pupils were leaving the charter school. He said the thing that surprised them the most was that 8<sup>th</sup> grade students chose to go back to brick and mortar schools at a higher rate than any of the other students that attended the school. He said there was a myriad of reasons why these students chose to do that, from programmatic to social. Member McCord still found the decrease in enrollment, even in light of the 8<sup>th</sup> grade revelation was troubling and he suggested the school do more exit interviews with students leaving the school to better gauge why they felt virtual education was not working for them.

Member McCord referenced amendment request 3 and asked about the mutual covenant warranties. Ms. Hendricks said those were in reference to language that was included in the written charter agreement contract and was inserted in the amendment request to keep the language the same. Member McCord asked Mr. Ott about the NAC regarding the governance of virtual education in Nevada. Director Gavin asked that language going forward be in reference to the charter contract as the written agreement is no longer in use for NVVA.

Director Gavin submitted the recommendation report for the record:

*Request 1: NVA's charter contract, executed in 2013, caps the school's enrollment at "the lessor of 4,446 pupils or the count day enrollment for SY2013-2014" (section 2.3.2). The school's actual count day enrollment in 2013-14 was 3,606. The school is seeking a charter amendment to formally establish that number as the contractual cap on enrollment for the 2014-15 school year.*

*Request 2: Section 2.3.4 of NVA's charter contract requires that the school seek a charter amendment for any variance in enrollment greater than 5 percent in subsequent years of the contract. The school's count day enrollment in 2014-15 was 2,662. The school is seeking a charter contract amendment to reflect this fact.*

*Request 3: NVA is seeking significant modifications to its academic program and operating model to facilitate the addition of several blended and dual enrollment options. NVA staff and board members will make a presentation and will be available to answer questions regarding this model.*

*Request 4: NVA is seeking authority to acquire one or more sites in Clark County for the purpose of bringing face-to-face instructional options closer to its student body. These facilities acquisitions would not permit the school to expand its student enrollment.*

#### Background

*Nevada Virtual Academy is a statewide distance education charter school which was chartered by the State Board of Education in 2007 and was renewed by the SPCSA board in 2013. The renewal was predicated on a high-stakes review of the school's academic, financial, and organizational performance by the SPCSA board in the fall of 2015. The school received a notice of concern for its academic performance in fall 2013 and received a notice of breach for its performance in fall 2015. Both NVA's elementary school and its high school are currently on the state's list of low-performing schools.*

#### Recommendations:

Request 1: Approve

The school is seeking to clarify the actual count day enrollment in 2013-14 to ensure there is no ambiguity regarding the enrollment cap.

Request 2: Approve with Modification

The school had a variance of more than 5 percent of its approved enrollment. This is a material change necessitating a charter contract amendment. Following approval, the school's new contractual enrollment cap will be 2,662. Furthermore, SB511 of the 2015 legislative session has changed the state's pupil accounting model from a single count day to a quarterly average daily enrollment model. Consequently, the reference to count days in the contract should be modified to reflect this change in law. Staff recommends that the references to the fall count day be replaced with references to October 1 to ensure consistency with the new pupil accounting model. Based on the school's history of declining enrollment, staff further recommends that the language of the contract be modified to downwards-cap the enrollment in subsequent years, thereby clarifying that the October 1 enrollment count in 2015-16 will be the maximum approved enrollment of the school for the 2016-17 and that the October 1 count in each year will be the basis for the cap of the following year. Staff request authority to work with counsel to develop language consistent with this intent and to make technical adjustments as necessary to ensure consistency with current law. Staff further request delegated authority to furnish the approved amendment language to the school and execute the final contract modification on behalf of the Board.

Request 3: Approve with Modification

The school is to be applauded for its acknowledgement that significant changes are necessary to improve student academic performance. Staff recommends that the board approve the changes to the academic program, subject to several modifications:

**Prohibit the school from operating instructional facilities outside of Clark County:** NAC 386.340 provides that a charter school, including a school providing distance education, may not operate facilities for the purpose of instruction in more than one county. While the Authority has permitted virtual schools to operate offices in multiple jurisdictions and provide parent outreach, tutoring, test proctoring, and other federal and state-approved or mandated services face to face in multiple counties on an occasional basis, the provision of regularly scheduled instruction is prohibited under current law and regulation. Moreover, while SB509 does give the Authority board the power to create its own regulations regarding multi-county charters, those regulations have not yet been drafted, let alone approved, and the statute will not come into full effect until January 1, 2016. Consequently, the Board lacks the legal authority to permit the school to operate sites in more than one county for the purpose of instruction or to contract with a provider, including a college or university, to provide scheduled face-to-face instruction in more than one county.

**Require Additional Clarification on the Criteria for Student Assignment to School Pathways:** Staff wishes to ensure that there are clear, objective criteria, including test score data and a formal staff evaluation, to determine the program and pathway to which a student will be assigned by the school. Based on the school's past performance and the operating history of other virtual schools statewide, it is unclear that a parent/student opt-in model will yield stronger academic outcomes than the school's present academic program. Moreover, the criteria must also make it clear that the student's individual needs—not the convenience to the school or the family—is the sole driver placement decisions. Put simply, the most robust, site-based academic model must be the default option for all newly enrolled

*students in order for the school to be able to ensure that it is making academic placement decisions based on academic need versus operational concerns.*

***Prohibit the Enrollment of New Students from Outside of Clark County:*** *As noted above, the SPCSA lacks the legal authority to permit a school to operate instructional facilities in more than one county. The school is proposing an unprecedented shift in academic and operating model which, combined with current statutory and regulatory provisions, will create a two-tier model. Students residing in Clark County will benefit from a far more robust academic model with a broad range of pathways and delivery systems, while students who live outside the county will have only one option, a legacy academic program which the school understands is not the model best suited to meet the academic needs of much of its current student body. Consequently, staff recommends that the school be prohibited from enrolling any new students residing outside of Clark County.*

***Robust Analysis of the Effectiveness of Pathways and Delivery Systems:*** *Staff recommends that the SPCSA Board require the school to contract with a reputable third party evaluator, approved by the SPCSA, for the purpose of evaluating the effectiveness of these different pathways.*

***Affirm the Board's Commitment to the High Stakes Review:*** *None of the proposed Amendments seek to eliminate or delay the upcoming high stakes review. However, notwithstanding its recommendation of approval of the previously discussed items, staff recommends that the SPCSA Board emphasize that the high stakes review will occur during the 2015-16 school year. Staff also recommend that the Board delegate to staff the authority to modify the language around the high stakes review to permit the Board, at its discretion, to postpone the high stakes review until the winter of 2016 in the event that counsel or staff recommend that any decision regarding the future of the school be deferred to permit evaluation of the potential impacts of recent or impending statutory or regulatory changes.*

***Align the Charter Contract and Performance Framework:*** *Additionally, staff recommends that the charter contract and the school's performance framework be amended to specifically include the criteria set for in SB509 and other bills defining a low-performing charter or traditional public school and clarifying that a school can be placed into breach of contract or served with notice of closure based on persistent underperformance—including but not limited to performance which precedes the effective date of the charter contract.*

**Request 4: Approve**

*The most recent revisions to NAC specifically permit a sponsor to deny a request to occupy a new facility if the school is not rated three star or above. Nevada Virtual Academy's elementary and high schools are both rated at the 2 star level. However, the regulations were crafted to grant a sponsor significant discretion in such cases. It is important to note that this additional facility is not intended to serve new students. Rather, the school's stated intent is to ensure that there are multiple, easily accessible facilities in Clark County to meet the needs of its current students—a geographically dispersed student body. The switch from a fully virtual to a blended model will be a significant disruption to students and families. Consequently, the addition of new facilities for the purpose of better serving its current approved enrollment is an appropriate and sensitive means of accommodating a broader cross-section of the school's student body.*

*The Authority and representatives then discussed the regulations governing charter schools with regard to operating in more than one county. Currently, a school which offers solely virtual education can operate in more than one county, however if a school is using a blended model, it can't offer services to students in more than one county. Member McCord hoped that the Legislative Counsel Bureau would be*

*able to expedite the codifying of the NAC that had been passed before the legislation session and the laws that were passed during the 2015 session.*

*Counsel for NVVA asked for a recess for their agenda item regarding the operation of more than one county so she could consult with leadership at NVVA. Member McCord said that would not be a problem.*

*Upon the completion of the recess, the school requested an adjusted enrollment request that would be the equivalent to 20 percent increase over the 2013-2014 enrollment numbers. They also asked to be able to increase their marketing to allow students better access to their program. NVVA also asked to amend their amendment request to allow for the approval of the blended model for Clark County only in order to try the new model, but still allow students to attend NVVA virtually in other part of the state.*

**Member Van moved for approval of NVVA's amendment request with the 10 percent growth rate each year with the allowance of some marketing, approval of the blended model for Clark County and online model for the rest of the state, and a review of the program in January by the Authority to determine the program's success. Member Abelman seconded. Discussion continued**

Director Gavin felt this would be a good compromise between the Authority and NVVA. He said both groups were able to find common ground which should be rewarded. Member McCord said while the Authority's concerns with the school will remain, he is very encouraged with the progress NVVA made and hoped it would continue on its path of success. Member Van also appreciated the compromise the Authority and NVVA made.

**Upon completion of discussion of the motion the Authority voted 4 – 0 for approval of NVVA's amendment request with the 10 percent growth rate each year with the allowance of some marketing, approval of the blended model for Clark County and online model for the rest of the state, and a review of the program in January by the Authority to determine the program's success. Chair Conaboy abstained, Member Wahl and Member Luna were absent.**

### **Agenda Item 10 - Update on the progress of Equipo Academy for starting in the Fall of 2015**

Ben Salkowe, founding Principal of Equipo Academy, spoke on behalf of Equipo Academy. Mr. Salkowe spoke about the teacher recruitment, enrollment projections, facility development, fundraising outcomes and program designs. He said that as of the morning of the meeting they had enrolled 97% of their projected enrollment goals. He said they had interviews with the potential students in order for the students to have the opportunity to fully understand the program they were enrolling in. Mr. Salkowe said the school also underwent an intensive hiring process to identify and hire teachers who they felt would buy-in to the mission of Equipo Academy. He said the school was very pleased with the results and was looking forward to seeing the new teachers in the classroom. Mr. Salkowe then explained the process of picking out and designing the facility the school would use. He said they did not pick the first available property; instead they spent time trying to find the building that would fit the needs for the students that would attend the school. He said the building was on track to be completed by the August 10 deadline. He said fundraising has also been going very well and donors weren't just writing a check, instead they were becoming involved with the school and the buildup to the first day. He said the curriculum planning has been coming together as well. He said they were planning their training sessions so the new teachers would be best equipped for the first day of school. Mr. Salkowe finished his presentation by discussing the empowerment his team had felt during this process. Mr. Salkowe said he hoped that the SPCSA staff would design and implement training for charter schools that better fit the schedules of the educators that



work at the school. He said he hoped the staff might offer trainings and meetings later in the evening or on Saturdays.

Member McCord said the outline Mr. Salkowe had just given for the startup of Equipo Academy should be used as a model for all developing charter schools in Nevada. The careful thought put into the various details, from school architecture, teacher identification and hiring, to curriculum planning as all been done with a goal in mind and that sets in place the groundwork for a very successful charter school.

### **Agenda Item 13 - Beacon Academy amendment request pursuant to NAC 386.325**

Tambre Tondryk, Principal; Elizabeth Dixon, Vice Principal; Ms. Sanchez, attorney and Travis Cherry, technology coordinator spoke on behalf of Beacon Academy regarding their amendment request. Ms. Tondryk said she hoped the Authority would approve their three request to change the proposed plan of study, enrollment and facilities. She said during the renewal process, Beacon had been identified as low performing and struggled to obtain their charter contract. She said this request would allow Beacon to better serve the students at Beacon Academy and allow for the school to increase it state mandated star rating. She said the school had start meeting with students prior to them beginning at Beacon in order to identify why the students were choosing Beacon over other educational options. She said that some of the students were choosing online education because they felt it was easier and they wouldn't have t attend very much. She said the school's goal was to guide identify these type of students and better help them as they work their way through Beacon.

Chair Conaboy asked how the program has been introduced to parents and students. Ms. Tondryk said the news has been received very well by parents and students alike. She said the parents felt this would better help their children complete their education at Beacon more successfully. The students felt it would be better for them as they only have four teachers instead of the seven they had been interacting with before. Ms. Tondryk said that national research about online education is showing that smaller class schedules and fewer teachers per semester better allowed the children to work their way through the coursework without getting lost between subjects and teachers. In short, instead of seven classes for two semesters, the schedules allows for four classes over four quarters.

Member Mackedon said she appreciated the school's willing to take a new approach to their model and the students they serve. Member McCord said the data the school provided was not the best data they could have provided. He said the data included in the school's packet was dated and mostly spoke to higher education. He did say however, there was data supporting the requests the school was making, but the school did not capture that data for its presentation. He advised the school look into the newer data to see if it gave more insight and better recommendations to even better strengthen the school's proposed model.

Chair Conaboy asked for a motion to approve Request three in Beacon Academy request for amendment pursuant to NAC 386.325.

#### *Request 3: Approve Contingent Upon NDE Approval and School Acceptance of Additional Recommendations 1 & 2 and Modification Outlined Above Under Request 2*

*Staff is forwarding this request as it was submitted simultaneously with the previous requests and it provides context on some changes the school is making with the stated intent of improving pupil outcomes. The school is to be applauded for its acknowledgement that significant changes are necessary to improve student academic performance and for being willing to experiment with strategies which may allow some students to be more academically successful. Staff recommends that the board approve the changes to the schedule contingent upon the NDE approval for an alternate schedule mandated by NAC.*

**Member Mackedon moved for approval of Item three of Beacon Academy's amendment request pursuant to NAC 386.325. Member Van seconded. There was no further discussion. The motion passed unanimously.**

Ms. Sanchez spoke about the changes in count day that had been passed at the previous legislative session. She said this may have an impact on the enrollment numbers at Beacon Academy thus affecting the 10% increase/reduction provision included in their charter contract. Beacon Academy was asking for an enrollment increase of about 18%. She said Beacon wants to be maxed out at 630 pupils after the increase in the star rating in the previous year.

Discussion then continued between the Authority, Director Gavin and the representatives of Beacon Academy regarding the language in bills that may have effect on enrollment. Due to some of the changes made during the 2015 Legislative session, Director Gavin included new requirements that would need to be agreed to in order for the amendment to be approved.

Director Gavin outlined the recommendations for each of the remaining amendment request of Beacon Academy. The recommendations are included below:

**Request 1: Approve Contingent Upon School Acceptance of Additional Recommendation 1 and Modification Outlined Below Under Request 2**

*The school is seeking to clarify the actual count day enrollment in 2013-14 to ensure there is no ambiguity regarding the enrollment cap.*

**Request 2: Deny and Modify Contract to Conform to Statute and Clarify Intent**

*Consistent with previous board action, staff recommends that the Board deny this request. Enrollment increases must be earned based on academic, financial, and organizational performance. Beacon has historically been one of the lowest performing schools in the state. While the school made some academic improvement last year, one data point does not constitute a trend. Staff recommends multiple years of sustained improvement before the school is permitted to expand. SB511 of the 2015 legislative session has changed the state's pupil accounting model from a single count day to a quarterly average daily enrollment model. To ensure consistency with the new statute and with the board's stated desire to reserve enrollment expansion for schools with strong and consistent academic performance, staff recommends that the enrollment calculation in the contract be based on the October 1 enrollment to ensure consistency with the new pupil accounting model and provide more clarity to the school. Based on the school's declining enrollment, staff further recommends that the language of the contract be modified to downwards-cap the enrollment in subsequent years, thereby clarifying that the October 1 enrollment count in 2015-16 will be the maximum approved enrollment of the school for the 2016-17 and that the October 1 count in each year will be the basis for the cap of the following year. Staff request authority to work with counsel to develop language consistent with this intent and to make technical adjustments as necessary to ensure consistency with current law. Staff further request delegated authority to furnish the approved amendment language to the school and execute the final contract modification on behalf of the Board.*

**Additional Recommendation 1: Affirm the Board's Commitment to the High Stakes Review:** *None of the proposed amendments seek to eliminate or delay the upcoming high stakes review. However, notwithstanding its recommendation of approval of several of the previously discussed items, staff recommends that the SPCSA Board emphasize that the high stakes review will occur during the 2015-16 school year. Staff also recommend that the Board delegate to staff the authority to modify the language around the high stakes review to permit the Board, at its discretion, to postpone the high stakes review*

*until the winter of 2016 in the event that counsel or staff recommend that any decision regarding the future of the school be deferred to permit evaluation of the potential impacts of recent or impending statutory or regulatory changes.*

***Additional Recommendation 2: Align the Charter Contract and Performance Framework:** Additionally, staff recommends that the charter contract and the school's performance framework be amended to specifically include the criteria set for in SB509 and other bills defining a low-performing charter or traditional public school and clarifying that a school can be placed into breach of contract or served with notice of closure based on persistent underperformance—including but not limited to performance which precedes the effective date of the charter contract.*

**Member Van moved for approval of staff recommendation of items 1 and 2 of Beacon Academy's amendment request. Member Mackedon seconded. There was no further discussion. The motion carried unanimously.**

**Agenda Item 18 - Consideration of Willie H. Brooks Soar Academy request for an extension of Subsection 7 per NAC 386.240(1)**

Member McCord asked that Agenda Item 18 be moved to the August board meeting schedule.

**Member McCord moved for a final postponement of Agenda Item 18. Member Van seconded. There was no further discussion. The motion passed unanimously.**

**Agenda Item 15 - Founders Academy amendment request pursuant to NAC 386.325**

Bob Beers, treasurer; Rich Moreno, Board President; Mark Hessiak, Vice President; Carol Leavitt, principal; Sylvia Garcia, Board member; Brenda Flank, board member, spoke on behalf of the school.

Member Van disclosed that he had represented Ms. Leavitt's children in a court case. Member Abelman disclosed he knew Mr. Beers through various downtown endeavors. All members said the relationship would not have an impact on the hearing. Member McCord also said he knew Ms. Leavitt through the Clark County School District, but that it too would not have an effect on the hearing.

The recommendation report to which the Founders representatives spoke to follows:

**Background**

*Founders was approved by the SPCSA board in 2013 and opened in the fall of 2014. The Las Vegas school commenced operation in 2014 and just concluded its first year of operation. The school has not received any notices of concern or breach related to its academic, financial, or organizational performance to date , although data to prompt such sanctions has been limited until recently.*

*In reviewing the school's submissions to the Authority in their entirety and speaking with members of the governing body and school employees, staff has identified a number of oversights which are cause for concern, including:*

- *The school has made incorrect cash flow assumptions and has overestimated revenues and underestimated expenses, resulting in the need to resort to multiple short term loans at varying interest rates*
- *Separation of duties between board members and school administration are unclear, leaving questions related to accountability and proper governance*
- *The school lacks the tools to demonstrate that it is academically successful*

**Recommendations: Approve with Conditions**

*The most recent revisions to NAC specifically permit a sponsor to deny a request to occupy a new facility if the school is not rated three star or above. The school has no academic track record. However, the regulations were crafted to grant a sponsor significant discretion in such cases.*

*Based on a review of the school's submissions to date, it is clear that entering into this new lease will permit the school to significantly reduce its operating expenses and it will also permit a modest increase in revenue by permitting it to accommodate its rising 11<sup>th</sup> grade class. Those two changes are projected to significantly improve the school's cash position and its overall financial viability. However, it appears that many of the issues which have arisen this year were predictable, prompting staff to recommend that the approval be contingent upon the following sanctions and corrective actions:*

**Sanctions:** *Staff has determined that the school should be subject to a Notice of Concern, based on inconsistencies in the, scheduled to be completed in the Fall of 2015. The school will be required to adopt an Authority-approved fiscal improvement plan to increase its available cash position on a quarterly and annual basis and will be required to adopt and adhere to a budget where revenues exceed expenses on a quarterly and annual basis. The school will be required to achieve quarterly and annual targets for the 2015-16 and 2016-17 school years. Failure to comply with the terms of the fiscal improvement plan and achieve quarterly or annual objectives as measured by both quarterly financial reports and the annual independent audit will result in a Notice of Breach. In the event that the school is served with a Notice of Breach, the school will be required to adopt an authority-approved fiscal improvement plan to increase its available cash position on a monthly, quarterly, and annual basis and will be required to adopt and adhere to a budget where revenues exceed expenses on a monthly, quarterly, and annual basis. Failure to comply with the terms of the fiscal improvement plan and achieve monthly, quarterly, or annual objectives during either the 2015-16 or 2016-17 school year as measured by monthly and quarterly financial reports and the annual independent audit will result in a Notice of Closure.*

*Additionally, staff recommends that the school develop a comprehensive corrective action plan, subject to SPCSA staff review and approval, which should include, but not be limited to the following:*

**Hire a Qualified Director of Operations:** *Staff recommends that the SPCSA Board require the school to recruit and hire an experienced, full-time Director of Operations to manage the day-to-day relationship of the school in association with its financial management provider.*

**Evaluate Board Make-Up and Recruit Additional Board Members, Including At Least One Additional Member with Extensive Financial Management Experience:** *Staff recommends that the SPCSA Board require the school to evaluate whether each member of the current governing board is sufficiently objective and has the capacity to appropriately govern the school. The governing board should be required to expand to add at least three additional board members, including one additional member with extensive financial management experience. Authority staff also recommend the governing board to provide a plan which is acceptable to staff regarding how the board will mitigate any potential deleterious effects of having relatives, close friends, and associates sitting concurrently on the governing board.*

**Establish a Strong Finance Committee:** *Staff recommends that the SPCSA Board require the school to establish a strong Finance Committee of at least three members which will meet on a monthly basis (at minimum).*

**Board Training:** Staff recommends that the SPCSA Board require the school to participate in Board on Track (f/k/a The High Bar) for online board training and evaluation resources.

**Establish a Robust Internal Assessment System:** It is unclear how the school measures progress towards the goals set forth in its charter and how the limited assessment tools currently employed by the school align to the Nevada Academic Content Standards. As a result, the school has been unable to provide credible, objectively verifiable data to justify its request to occupy additional space and to demonstrate that it is indeed making the academic progress which it believes it is achieving. Staff recommends that the SPCSA board mandate that the school adopt such an assessment system, subject to Authority staff approval, as a condition of approval of this amendment and that data from those assessments be furnished to support any subsequent amendment requests.

**Align the Charter Contract and Performance Framework:** Additionally, staff recommends that the charter contract and the school's performance framework be amended to specifically include the criteria set forth in SB509 and other bills defining a low-performing charter or traditional public school and clarifying that a school can be placed into breach of contract or served with notice of closure based on persistent underperformance.

Mr. Beers began by stating their group disagreed with the recommendations of the SPCSA staff. Their request is below:

*As noted in its Charter Agreement and Application, Founders will add the eleventh grade in the upcoming school year, and the proposed additional facilities will both provide space for the eleventh grade as well as space for additional students in the existing grades. With the proposed additional facility, Founders is currently expecting a total enrollment of 530 students, an increase of 97 students from the 2014 - 15 academic year. Founders' current facilities will not accommodate this amount of students.*

*The addition of eleventh grade will help Founders fulfill its initial mission of providing a complete, integrated curriculum form K-12 instruction. Further, the additional 97 students which will attend Founders this year will provide approximately \$582,000 in additional revenue, which is essential to balancing Founders' budget. These facilities will also allow for the addition of the twelfth grade in the 2016 - 17 school year without acquiring any new space at that time. Finally, the acquisition of a gymnasium/multi-purpose space (the 4145 Building) will give Founders the flexibility to greatly expand its physical education programs and extra-curricular offerings. Founders' first year has been a great success despite the many challenges which the school had to overcome. Founders ask that the Authority approve its request to occupy additional facilities so that it may continue to work towards its ultimate goal of establishing a charter school that provides unparalleled, tuition-free education to the children of Nevada. Multiple members of Founders Governing Board and a representative of the new owner of the facilities will be present at the Authority's July 13, 2015 meeting to answer any questions the Authority may have.*

Mr. Beers said their board disagreed with each of the four points made in the recommendation report. Ms. Leavitt then spoke about her time as the principal of Founders Academy. She said she had been impressed by the work ethic of the students and the results for students the school was producing. Ms. Leavitt said the lack of data was due to the school being in its first year. She said she had taken issue with some of the language used by SPCSA staff in the recommendation report. Ms. Leavitt felt that the reading, spelling and math were very successful at the elementary school level.

Mr. Beers said the claim there were improper separation of duties at the school and he said it would he hoped the Authority would be able to ask them questions directly since they had not been asked up until the point of the recommendation report. Member Conaboy asked about the Organizational chart because

she saw a lot shared duties and unclear supervisory structure. Mr. Beers said that due to the small scale of the staff there were shared duties during the first year. He said there would be a new principal next year as Ms. Leavitt would be retiring. He is intent on creating a more structured organizational chart. Mr. Beers then discussed the business makeup of the school and how it dealt with finances, payroll and office management. Member McCord asked if Mr. Beers had oversight over these areas as he was the board treasurer. Mr. Beers confirmed that he does oversee these areas of the school.

Mr. Beers then addressed the concern brought up in the SPCSA staff recommendation report that noted numerous loans that had been taken out by Founders Academy. He said that due to problems with NDE's DSA payment release they were forced to take out loans in order to meet their basic operating costs. He said the school had addressed some of these concerns by eliminating some expenses out of the budget for the upcoming school year.

Member Mackedon asked Mr. Beers to lay out each of the loans the school had taken and when those loans were taken out. Mr. Beers said they took two loans during the beginning of their operation, with one being substantially paid back and the other scheduled to begin payback during the upcoming school year. He said they took out an additional loan, but did not have the specific dates when that loan was executed. He said they believe in prudent cash management and don't take out more cash than they need on hand. He said there were three short term loans, one which had been paid back fully and the other two scheduled to be paid back over the course of the next year. Member Mackedon asked for clarification as to why the school had needed so many loans. Mr. Beers said the short term loans were used for various day-to-day operations.

Chair Conaboy asked Mr. Beers why Founders had fallen short with regard to their budgeting. Mr. Beers said they wanted to pay back one of the loans with a different loan because they wanted to have the better interest rate instead. Mr. Beers also added that they had anticipated having more donations from the community that had not come through. Mr. Beers also said that being a brick and mortar school had added to some of the costs that they did not anticipate while completing the charter application.

Discussion then began regarding Founders Education Legacy and if this was considered an EMO. Mr. Moreno said that when a school opened they were not allowed to be a 501c3. He said that was the reason they began the Founders Education Legacy (FEL) so that they could receive donations on behalf of the school. Mr. Moreno also discussed the people who were retired and receiving PERS would not be able to receive money from another government agency. They must receive their payments from an entity that pays Social Security instead of PERS. Mr. Moreno explained the payment structure of FEL and Founders Academy, the school. Member Mackedon said after hearing the description of FEL, it sounded like FEL was made into an Education Management Organization, which would have needed to be approved by the Authority. Mr. Beers said the school was willing to work with staff at the Authority to bring FEL into compliance.

Chair Conaboy asked if Mr. Moreno would be transitioning to a governing role and allow the school's administrators to run the day-to-day operations. Mr. Beers said that was anticipated, but did not have the exact timeline.

Chair Conaboy moved to the proposed lease for the facility Founders was moving to. Ms. Feiman of Founders explained the rent structure of their lease agreement and why they were in need of another campus. They also discussed how the arrangement between the property firm and the school would work. Chair Conaboy said that some of the arrangements in the lease were troubling for her. She said the school looked to have a disproportionate amount of liability that typically would be paid for by the land lord.

Member Mackedon said she was concerned with the school taking on this lease payment since they already demonstrated difficulties with their current budget. Mr. Beers said this had all been built into the budget and the school was prepared to take on the lease payment. Chair Conaboy did say she was concerned with some of the language in the proposed lease, but she would support the motion.

**Member McCord moved for approval of Founder Academy's amendment request pursuant to NAC 386.325. Member Van seconded. The motion carried unanimously**

Upon completion of the vote, Tim Peterson, spoke to the Authority regarding charter schools in Texas and Arkansas and his plans as the new principal of Founders Academy.

**Agenda Item 3 – Authority Update**

Chair Conaboy asked members who attended the National Charter School Alliance meeting to recap their trip. Member Abelman said he found the governance portion of the conference to be very enlightening. He hoped the Authority board would keep this as a priority for schools in the future. Member Mackedon said she left the conference feeling motivated again. She said the speakers the conference had did a great job and invigorating her to come back and start the school year.

**Member Abelman left**

**Agenda Item 17 - Doral Academy amendment request pursuant to NAC 386.325**

Representatives of Doral were seeking approval from the Authority to expand their campus. They felt they could better serve their student population by expanding their campus and allow for K-12 education. Director Gavin submitted the recommendation report:

**Background**

*Doral was approved by the SPCSA Board in 2013 and opened in the fall of 2013. It currently operates under a charter contract. It has previously received approval to operate two additional elementary-middle school facilities and to add a high school program. The school has not received any notices of concern or breach related to its academic, financial, or organizational performance. The school currently operates a 5 star elementary school program and a 3 star middle school program. Results from internal assessments indicate that the school is continuing to make academic growth, but it is important to note that absent SBAC data it is impossible to determine what, if any, predictive value the school's commercially available testing system has related to SBAC performance. As the school only operated one campus at the time of the most recent CRT administration, it is not possible to disaggregate academic performance on high stakes state assessments by campus.*

**Recommendation: Approve with Conditions**

*The school meets the current criteria for approval for a new facility pursuant to the most recent revisions to NAC. As the school is submitting this request well in advance of executing on a lease or sale, staff requests that the initial approval be granted as a strategic amendment to acquire and operate a facility in the approximate identified area and serving the grade levels and student enrollment identified in the request. Staff further requests delegated authority to grant additional technical amendments and approvals in upon receipt of documentation and other items required under NAC to occupy the building. This approval is consistent with the mechanism the Authority Board uses to permit the incorporation of pre-opening requirements for new schools into the charter contract without the delay and complexity attendant to additional board review.*

The representatives of Doral said the word of mouth about their school was growing and the additional interest would require more space. They said they had a 5 star rating and hoped to continue that for more students with the additional campuses.

**Member McCord moved for approval of Doral Academy's amendment request pursuant to NAC 386.325. Member Mackedon seconded. There was no further discussion. The motion passed unanimously.**

### **Agenda Item 16 - Pinecrest Academy amendment request pursuant to NAC 386.325**

Carrie Buck spoke on behalf of Pinecrest Academy. The school was requesting an additional facility for K-12 education. The school is rated as 4 stars for middle schools and 3 stars for elementary. Dr. Buck said that while she has been at the school she has focused a lot of energy to bring the math scores back up to an acceptable level.

Director Gavin submitted the recommendation report for the record:

#### Background

*Pinecrest was approved by the SPCSA Board in 2012 and opened in the fall of 2013. It currently operates under a written charter. It has previously received approval to operate two additional elementary-middle school facilities and to add a high school program. The school has not received any notices of concern or breach related to its academic, financial, or organizational performance. The school currently operates a 3 star elementary school program and a 4 star middle school program. Results from internal assessments indicate that the school is continuing to make academic growth, but it is important to note that absent SBAC data it is impossible to determine what, if any, predictive value the school's commercially available testing system has related to SBAC performance. As the school only operated one campus at the time of the most recent CRT administration, it is not possible to disaggregate academic performance on high stakes state assessments by campus.*

#### Recommendations: Approve with Conditions

*The school meets the current criteria for approval for a new facility pursuant to the most recent revisions to NAC. As the school is submitting this request well in advance of executing on a lease or sale, staff requests that the initial approval be granted as a strategic amendment to acquire and operate a facility in the approximate identified area and serving the grade levels and student enrollment identified in the request. Staff further requests delegated authority to grant additional technical amendments and approvals in upon receipt of documentation and other items required under NAC to occupy the building. This approval is consistent with the mechanism the Authority Board uses to permit the incorporation of pre-opening requirements for new schools into the charter contract without the delay and complexity attendant to additional SPCSA Board review.*

*A review of the school's current status with the Authority reveals that it was approved in 2013 prior to the adoption of AB205 and the new charter contract provisions of the charter school law. The school is still under a written charter instead of a charter contract. SB509 specifically permits a sponsor to require a holder of a written charter or charter contract that requests an amendment to agree to an amended and restated charter contract as a condition of approving such amendment requests.*

*Consequently, staff recommends that the Board make approval of this amendment request contingent upon the school executing an amended and restated charter contract which be effective January 1, 2016 and would remain in effect until May 5, 2019—the end date of the current written agreement. Consistent with the board's actions related to other schools in the portfolio, staff requests that the board set an enrollment cap based on the school's enrollment as laid out in the amendment request and incorporating all other standard language from the current model charter contract. Additionally, staff recommends that*



*the contract and performance framework specifically include the criteria set for in SB509 and other bills defining a low-performing charter or traditional public school and clarifying that a school can be placed into breach of contract or served with notice of closure based on persistent underperformance—including but not limited to performance which precedes the effective date of the charter contract. Staff request authority to work with counsel to develop language consistent with this intent and to make technical adjustments as necessary to ensure consistency with current law. Staff further request delegated authority to furnish the approved amendment language to the school and execute the final contract modification on behalf of the Board.*

Chair Conaboy asked Dr. Buck about stories in the Las Vegas papers that showed concern about charter schools moving in to the Henderson area. Ryan Reeves, Academica, said that story was about a different site and a different school.

Director Gavin asked that the Authority approve the amendment with a provision that the school sign onto the Written Charter Contract as opposed to staying on the Written agreement.

**Member McCord moved for approval of Pinecrest Academy’s amendment request pursuant to NAC 386.325 with the provision that Pinecrest sign onto a Charter Contract for the remainder of their charter term. Member Van seconded. There was no further discussion. The motion passed unanimously.**

#### **Agenda Item 2 – Approval of the June 12, 2015 SPCSA Board Meeting Minutes**

Chair Conaboy asked for a motion to approve the minutes.

**Member Van moved for approval. Member McCord seconded. There was no further discussion. The motion carried unanimously.**

#### **Agenda Item 6 – Infinite Campus Update**

Traci House, Business Process Analyst and Director Gavin spoke about Infinite Campus. Director Gavin said the legislature did approve the statewide Infinite Campus implementation plan. Director Gavin acknowledged that there have been growing pains with the implementation of Infinite Campus for charter schools. He said the vast differences in each of the charter schools did create some problems with Infinite Campus. He said he hoped with the statewide implementation, the charter schools will be able to better use the Infinite Campus functions that suits them best.

Member Mackedon said the problems at the school sites have been with students being improperly inputted into the wrong school. This had created issues with the validity of the data in Infinite Campus because the crossover could produce incorrect report for schools.

#### **Agenda Item 8 - Overview for development of Regulations by the Authority Board including but not limited to process, timeline, adoption, legislative requirements, workshops and public hearings**

Greg Ott, Deputy Attorney General, spoke about the process the Authority would follow to create regulations since it had been given that power during 2015 Legislative session. He submitted these points for the record:

- Process is long and slow with 2 primary aims
  - Maximize the opportunity for public comment
  - Ensure permanent regulations do not conflict with existing laws
- Three types of Regs

- Permanent (NRS 233B.061)
- Temporary (NRS 233B.063(3))
- Emergency (NRS 233B.0613)
- Most of what the SPCSA does for the next year will be permanent.
- Agency submits a request to the Governor which he may endorse or reject
- Only exists for 120 days
- Require an emergency (life, health, safety)
- Very rarely used (know they exist but don't plan on using them)
- Temporary is only available between August 1 of an even numbered year and July 1 of the next odd numbered year.
- Expire automatically on November 1 of the next odd numbered year (identical permanent reg may be adopted).
- Process identical to the Permanent reg process, but no submission of language to LCB.
- Multi-step process with several requirements
  - Submission to LCB for language
  - Workshop
  - Public hearing
  - Final review by Legislative Committee
- Permanent Regulations must be submitted to LCB for official language.
- The LCB is supposed to deliver the approved language within 30 days of a request (NRS 233B.063(2))
- Language not needed for workshop, but is needed for public hearing
- Specific Notice Requirements (NRS 233B.0608)
  - Must post 15 before workshop
  - Cannot have workshop on the same day as a public hearing
  - Must post notice, small business impact statement
  - Must follow open meeting law procedures and take public comment
- Specific Notice Requirements
  - Approved Text must come from LCB
  - 30 Days Posting (NRS 233.B060) of intended action
  - Notice must be on required form (NAC 233B.010)
  - Must follow open meeting law procedures and take public comment
- After approval at a public hearing the Regulation is submitted to LCB for Legislative Commission Review (233B.067(1))
  - Leg. Comm. can reject or approve a regulation
  - If rejected it does not become a regulation, but the agency may request a written explanation
  - If accepted it is filed with the Secretary of State. At which time it becomes effective.

### **Agenda Item 21 – Adjournment**

**Chair Conaboy asked for a motion to adjourn. Member Van moved seconded. The motion passed unanimously.**

The meeting adjourned at 3:55 pm

# State Public Charter School Authority

## Board Meeting

### Carson City

7-13-2015

Name	Representing	Email Address for SPCSA List serve
John Vettel	NVVA	John@BywaysDAO.com
Janice Winder	NCA	janice.winder@sigstar.com
John Sander	Argentum Partners	
Donna Wix	NDE	
Kathryn Etchemendy	Imagination Station	Kathryn@ISLC.us
Angela Moore	Imagination Station	angela@ISLC.us

# State Public Charter School Authority

## Board Meeting

Las Vegas

7-13-2015

Name	Representing	Email Address for SPCSA List serve
Elizabeth Dixon, <del>Asst</del> , Principal	Beacon Academy	elizabeth.dixon@bcau.org
Travis Cherry,	Beacon Academy of NV	travis.cherry@bcau.org
Tambre Tondryk, Principal	Beacon Academy of NV	tambre.tondryk@bcau.org
Africa Sanchez	Attorney, Beacon Academy	aficasanchez@law.com
Victoria Carreon	Gunn Center for Policy Priorities	vcarreon@gunncenter.org
Kirby Okuda	Nevada Virtual Academy	kokuda@nvacademy.org
Jim Coffey	NV Virtual Academy	jcoffey@nvacademy.org
Ben Agostinos	NV Virtual Academy	benagostinos@nvacademy.org
Kara Hendricks	NV Virtual Academy	Kendricks@oflaw.com

Silvia Garcia	Founders Academy LV	sgarcia@csinci.com
Susan Fisher	MEW	SFISHER@MENCALD.COM
Seth Rau	Nevada Succeeds	seth@nadasucceeds.org
Laura Fiemann	CHARTER SCHOOLS DEV.	LFIEMANN@CUDC.ORG
Carol Leavitt	Founders Academy	Carol.leavitt@foundersacademylv.com
Lyn Reeves		
Rebecca Fitzgerald	Academich	
TIMM PETERSEN	FOUNDERS ACADEMY LV	TIM.PETERSEN@FOUNDERSACADLV.COM
Ivy Abella	Founders Academy	Ivy.Ivyl.Abella@FoundersAcademyLV.com
Tiffany Ferguson	Quest Academy	t.ferguson@questlv.com
TAMM PARRIS	Brooks Spear	tquad@woman@APL.COM
Ben Salkow	Equipe Academy	ben.salkow@equipeacademy.org
Nick Sorisahn	Coral Academy	nick@coralacademylv.org
MATT ASSAHL	Founders	MATT@BAILEYKENNEDY.COM
Carrie Buck	Pinecrest Academy	carrie.buck@pinecrestnv.org
Bridget Phillip	NOEL	Bridget.Phillips@coralacademylv.org

Dawn Curry	NV VIRTUAL ACADEMY	Vegascary38@gmail.com
Denny Diamond	NVVA	Diamond@nvvaacademy.org
Colin Brughurst	Academica	colin.brughurst@academica-nv.com
Carolyn McIntosh	NV. Virtual Academy	cmcintosh@nvvaacademy.org
Kymber LeGron	Quest Academy	k.legron@questnv.com
LISA DZIERBICKI	NV. VIRTUAL ACADEMY	LDZIERBICKI@NVAACADEMY.ORG
Brenda Flank	founders	.
Clayton Howell	Academica	clayton.howell@academicanv.com
Marbara Payne	NV. Virtual Academy	mpayne@nvvaacademy.org
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Olivia Carbajal	Mater Academy of NV	Olivia Carbajal@materacademynv.org
Sheila Moulton	Mater Academy of NV	moultonfam@gmail.com
Gene Smith	Nevada Virtual Academy	gsmith@nvvaacademy.org
Lisa Kubala	Founders Academy of Las Vegas	kubalabears@gmail.com
D. Daniels	QUEST ACADEMY	Debbie.Tomasz@questacademynv.org
Danielle Marshall	Doral Academy - Cactus	danielle.marshall@doralacademynv.org

