

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 Sarisahl
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 statute 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 be 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.