

TABLE OF CONTENTS

Call to order; Roll Call; Pledge of Allegiance (Kathleen Conaboy, SPCSA Chair)

1. Public Comment
2. Approval of January 9 and 10, 2014 Meeting Minutes (Kathleen Conaboy, Chair) (*Page 1*)
3. Authority Update (Kathleen Conaboy, Chair) (*Page 13*)
4. Update on search for new SPCSA Director (Kathleen Conaboy, Chair)(*Page 14*)
5. Interim Director's Report (Tom McCormack, Interim Director, SPCSA) (*Page 15*)
6. Introduction of new ASO Adrienne Lawrence to replace Brian Flanner (Tom McCormack, Interim Director, SPCSA)(*Page 30*)
7. Presentation and discussion of SPCSA schools' graduation and attrition rates (Katherine Rohrer EdD, Education Program Professional, SPCSA) (*Page 31*)
8. Consideration of contract application from Beacon Academy (Tom McCormack, Interim Director, SPCSA) (*Page 40*)
9. Consideration of contract application from Quest Preparatory Academy (Tom McCormack, Interim Director, SPCSA) (*Page 54*)
10. Charter School Regulation Revisions (Tom McCormack, Interim Director, SPCSA) (*Page 65*)
11. NIAA Issue follow-up (Michael Van, Board Member, SPCSA; Shane Chesney, Senior Deputy Attorney General) (*Page 79*)

STATE PUBLIC CHARTER SCHOOL AUTHORITY

SUPPORTING DOCUMENT

**S U B J E C T: Approval of January 9 and 10,
2014 Meeting Minutes**

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

MEETING DATE: March 4, 2014

AGENDA ITEM: 2

NUMBER OF ENCLOSURE(S): 1

PRESENTER(S): Kathleen Conaboy, Chair, SPCSA

RECOMMENDATION: *Approve*

FISCAL IMPACT:

BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):

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

BACKGROUND:

SUBMITTED BY: _____

NEVADA STATE PUBLIC CHARTER SCHOOL AUTHORITY

January 9 and 10, 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 RETREAT

BOARD MEMBERS PRESENT:

In Las Vegas:

Kathleen Conaboy
Michael Van
Melissa Mackedon
Nora Luna
Elissa Wahl
Marc Abelman
Robert McCord (Absent on 1/10/2014)

In Carson City

None

BOARD MEMBERS ABSENT

None

AUTHORITY STAFF PRESENT:

In Las Vegas:

Steve Canavero PhD, Director, State Public Charter School Authority
Tom McCormack, Education Program Professional, 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
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

In Carson City:

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:

Caroline McIntosh
Ben Gerhardt
Kelli Miller
Deb Roberson
Danny Diamond
Heidi Arbuckle
Ed Heling
Dale Erquiegua
Judy Gunino
Ryan Reeves
Iliana Arroyo
Stephanie Holdaway
John Hawk
Wendi Hawk
Dominic DiFelice
Larry Mason
Al Casso

In Carson City:

None

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

President Conaboy called the meeting to order at 1:00pm 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 - Public Comment

Caroline McIntosh spoke about the service of Director Canavero and how much it was appreciated by her school and others. She also thanked the SPCSA staff for their support as Nevada Virtual works to turn around results from previous years.

Agenda Item 2 – Opening Comments

Chair Conaboy first asked Senior Deputy Attorney General Shane Chesney to speak about any rules that may be relevant to the retreat. He said that the Authority should be cautious of deliberation since the purpose of a retreat is to gain information and then deliberate those topics in a regular meeting of the Authority.

Chair Conaboy asked that each of the SPCSA staff introduce themselves before she started her opening comments. Chair Conaboy said she hoped that this retreat would provide a good dialogue that would lead to a sustainable structure for the SPCSA. She then spoke about the history of the SPCSA and the accomplishments it has had over the two years of its existence.

Agenda Item 3 - Update and discussion related to the SPCSA's Strategic Plan

Director Canavero began by expressing his appreciation to both the SPCSA staff and the Authority board. He then explained the strategic plan of the SPCSA and how it can help charters be successful while still allowing the charter schools to keep their autonomy. He said that school governance is would be a good place for the Authority to concentrate on in that it could provide the resources or training to help charter schools strengthen their governing board. He said that staff had considered a few ideas regarding being more involved with the actual boards' work or providing the training that is needed for the governing boards to attend. He said that staff had also explored two consultants who specialize in the training charter school governing boards.

He said that after the two presentations staff was impressed with The High Bar, which specializes in governance training. He said that it was recommended by other Authorizers he spoke with that the SPCSA staff not be involved with the actual training of the charter school governing boards because they may feel like they can't be as open as they would like for fear of being penalized by the SPCSA. With that information, Director Canavero explained what The High Bar does and how they facilitate the training for the charter school governing boards. The total cost of the High Bar was about \$200,000 for the length of the contract term, which would be a considerable investment decision that would have to be made by the Authority Board.

Member Ableman asked how the cost would change as the number of charter school boards increased. Director Canavero said that with each new board the SPCSA would be charged a licensing fee. Member Wahl asked if the decision to consult with The High Bar had been made before, or after, the decision to lower the fee charter of the charter schools. Director Canavero said this decision was under consideration long before the fee discussion took place.

Member Mackedon said that she holds The High Bar in high regard, but the price seemed to be a little too much. She said the differences in the needs of each charter schools' governing board may inhibit the value of choosing The High Bar and the one-stop-shop training that they provide. She felt a more targeted assistance that took the uniqueness of each charter board may be a more valuable investment.

Director Canavero said that he would be more than willing to go back to The High Bar to discuss the price structure in order to try and lower the prices. Member Wahl also asked how the SPCSA would “force” the charter school governing boards to participate in the trainings. Director Canavero said that had also been something that he and Brian Flanner had considered and they had not come up with a clear solution.

Chair Conaboy asked what SPCSA staff’s collective recommendation would be with regard pursuing a contract with The High Bar. Director Canavero said that it could be feasible for the SPCSA staff to provide training for the charter school boards if that is what the Authority would like to see. Member McCord said he was conflicted on whether using the High Bar would be useful or not. He said that public boards are constantly changing and sometimes you can have a good board or a bad board no matter what type of training they undertake. But Member McCord also said that the Authority does not have the power to choose curriculum, higher teachers, or provide education and that leads the charter school governing boards as the only outlet where the Authority could affect immediate change. He said ultimately it is the charter schools’ governing board’s responsibility to identify their weaknesses and try to find resources to address that.

The Authority continued to discuss different pricing structures or models that could be explored in order to lower the costs without losing the opportunity for valuable training for the governing boards. They also discussed how to ensure the governing boards take advantage of the training without risking the school’s autonomy.

After discussion finished regarding governance, Director Canavero showed the Authority the data that has been collected by staff regarding school performance, authorizing, and student populations about the SPCSA-sponsored charter schools.

Director Canavero then discussed the roundtables that he had organized with community leaders in Las Vegas along with outside chartering companies and non-profit educational organizations in order to bring high-quality charter schools to the Las Vegas areas. They discussed what Nevada needs to do both nationally and internally to draw these operators to the state. Director Canavero said he was very pleased with the conversations that he had, but there was still plenty of work that needed to be done.

Member Wahl asked if funding for facilities was discussed with the exploratory group. Director Canavero said that funding was discussed, but specifics such as purchasing facilities for schools in Subsection 7 status were not discussed.

Chair Conaboy asked what the next steps should be. Director Canavero said that this needs to be kept in mind over the next few years. It is not something that will be done within the next few months. This is a large undertaking that will have multiple components that need to be finalized. The goal should be to make drawing quality schools into Nevada and develop quality school leaders within Nevada over the next 5 years.

Member Abelman was asked to speak of his ideas he had. He said that the arts and education needs to be a focus moving forward within charter schools. He felt that art has been put aside, and that it is as equally important in creating strong leaders as the Common Core. Chair Conaboy followed up with a question about if charter school incubators considered those types of issues. Member Abelman agreed that this is a real question that needs to be answered because the Authority can’t choose curriculums for schools, but it could try draw schools into Nevada that focus on the arts. Director Canavero responded by saying that it would be possible to recruit these schools to this state that have a focus in those areas. He said it takes a strong strategy that needs to be in place in order to show exactly the type of schools you are looking for. He said that this is something that charter school incubators are not used for; there are still other ways to solicit certain charter school models if the Authority feels they would be beneficial to certain regions of the state.

Chair Conaboy then discussed that lack of representation of charter schools are the Nevada State Superintendent's Board. She said she spoke with some of the members and expressed her hope that charter schools would be included in these meetings in the future. She then asked Director Canavero about the Local Education Agency (LEA) status of the Authority and how that would affect its relationship with the charter schools it sponsors.

Director Canavero said that there wall that is evident between how the Authority serves its schools as the LEA and as a sponsor. He said that as the LEA there is not as much autonomy allowed for the charter school because there are certain procedures (SPED, Title I) that need to be executed properly and charter schools are not allowed a choice in the execution of those procedures. However, as the sponsor, the Authority needs to keep in mind the autonomy of charter schools and always work to protect that autonomy to allow charter schools to continue their innovation.

Agenda Item 5 - Presentations by Authority staff

Katie Higday, Management Analyst, spoke about the reporting requirements manual and the reports tat charter schools are required to submit. She went explained the process of submission, why the reports are submitted, and what staff does with the reports upon receipt. She also explained that the goal of the SPCSA staff is to limit the amount of reports that schools are required to submit by allowing the schools to submit attestations instead of the full report to the SPCSA. Tom McCormack also added that staff was making efforts it in the NAC regulation changes to eliminate redundant reports. Member McCord said he agreed that it was always a positive to be able eliminate reports that do not serve a purpose in the date collection of a state agency.

Traci House, Business Process Analyst, spoke about the transition from PowerSchool to Infinite Campus student information system. Currently the SPCSA uses PowerSchool, but as Clark County moves to Infinite Campus, along with other districts in the state, the SPCSA has followed suit. The SPCSA pays for Infinite Campus for the charter schools in order to allow for a larger contract which is passed along to charter schools. The transition, with software changes, training, and data transfer, is set to be complete by the start of the 2014 – 2015 school year.

Agenda Item 7 - Update on NDE activities from the Superintendent of Public Instruction

Superintendent Dale Erquiegua spoke to the Authority about his plans as the new Nevada State Superintendent of Public Instruction. He said that charter schools and school choice will be very much a part of his agenda. Superintendent Erquiegua said there were three major goals that would have an effect of the charter schools in Nevada. He said the implementation of revised standards for both core subjects and career and technical education that would now include an end of course exams. He said the High School Proficiency will also be phased out over the next few years and will be replaced with end of course exams. He said the Criterion Reference Test would be replaced over the next few years will smarter balance tests. Superintendent Erquiegua also explained that the K-12 Funding Task Force would meet at the end of January do discuss, and provide solutions, to Nevada's K-12 funding model. Superintendent Erquiegua also said it will be his goal for the Nevada Department of Education to change how it will deal with underperforming schools in Nevada. He hopes to increase the role of the state with regard turnaround of the schools. Some of those solutions may be converting underperforming schools into charter school, which would require changes in the Nevada Revised Statute.

Agenda Item 6 – General discussion related to contested cases to be heard at a public hearing before the Authority

Contested case” means a proceeding, including but not restricted to rate making and licensing, in which the legal rights, duties or privileges of a party are required by law to be determined by an agency after an opportunity for hearing, or in which an administrative penalty may be imposed.

Chair Conaboy then called for recess at 4:31 p.m. until 9 a.m. January 10, 2014.

MINUTES OF THE REGULAR MEETING

Chair Conaboy then called the Regular meeting of the Authority into session at 9:04 am

Agenda Item 2 – Approval of November 1, 2013 SPCSA Minutes

Member Wahl had a few minor edits to the draft minutes.

Member Abelman moved for approval of the November 1, 2013 minutes. Member McCord seconded. The motion carried unanimously.

Agenda Item 3 – Consideration regarding the Application Review Team’s recommendation of Nevada State High School’s II charter school application resubmission

Director Canavero then briefed the Authority on the previous recommendation staff had made at the November 1, 2013 SPCSA board meeting. He then explained the changes that Nevada State High School II had made to remedy the application’s deficiencies and SPCSA staff was now recommending approval for NSHS II’s charter application resubmission.

John Hawk then spoke to the Authority about their plans for Nevada State High School II and how things like staffing, location, and the separation of Nevada State High School I would work. Director Canavero added that staff was comfortable with the transfer of leadership that both schools will undertake and that was what led to the recommendation for approval of the charter application resubmission. Member Abelman asked if the Hawks were concerned about burning out from too much work between the two Nevada State High School locations. Dr. Hawk said that he is passionate for the work they do and that he plans on building leadership cultures within each school so that each school will be able to operate at a high quality on their own.

Member Mackedon motioned for the approval of Nevada State High II’s charter school application resubmission. Member Abelman seconded. There was no further discussion. The motion carried unanimously.

Agenda Item 4 - Consideration regarding the Application Review Team’s recommendation of Mater Academy’s charter school application resubmission

Director Canavero quickly went over the recommendation from the previous meeting regarding Mater Academy. He then explained that Mater Academy had done great work remedying the deficiencies of their original application and staff was impressed at the relative ease at which they were able to review the resubmission. With that being said, Director Canavero said that staff would be recommending approval for Mater Academy’s charter application resubmission.

Chair Conaboy then asked the liaison for Mater Academy to answer any questions the Authority may have for her. Sheila Moulton explained the hard work the Committee to Form had done during the 30 day resubmission period and she was proud of the way the application had come together. Member Abelman asked if she could explain how the fee reductions from the EMO, Academica, would work in the budget. Robert Anderson, treasure of the CTF, said that Academica would work with Mater Academy in the future in order to ensure that the costs that Mater Academy would need to be accountable for were reasonable for the school to pay. He said that Mater Academy had worked with Academica to clarify the relationship between the school and the EMO and that work helped show the actual fees the school would be responsible for. Ms. Moulton added that she has been very cognizant of the finances for the school and will continue to be very involved with the budget of the school as it works towards opening.

Member Wahl motioned for the approval of Mater Academy's charter application resubmission. Member Abelman seconded. There was no further discussion. The motion carried unanimously.

Agenda Item 5 – Consideration regarding the Application Review Team's recommendation of Legacy International's charter school application resubmission

Director Canavero again detailed the previous recommendation staff had made regarding Legacy International's charter application. He said that while some changes and improvements had been made in the resubmission, the application still contained far too many deficiencies for staff to feel comfortable recommending approval. With that, he said staff would be recommending denial of Legacy International's charter application resubmission.

Chair Conaboy then asked if anyone from Legacy International's Committee to Form was in attendance to answer questions from the Authority. There were none present for the meeting.

Member Mackedon moved to deny the charter application resubmission for Legacy International. Member Van seconded. There was no further discussion. The motion carried unanimously.

Agenda Item 7 – Discussion and possible action regarding the approval to postpone the commencement of charter school operation

Tom McCormack, Education Program Professional, detailed staff's recommendation for the Authority to adopt language clarifying charter school's requests for delaying the commencement of operation:

Pursuant to NRS 386.527, "The sponsor of the charter school may require, or the governing body of the charter school may request that the sponsor authorize, the charter school to delay commencement of operation for 1 school year."

Proposed policy: Pursuant to NRS 386.527, the State Public Charter School Authority (SPCSA) may require or authorize delay of commencement of the operation of a charter school for *no more than* 1 school year beyond the school's planned startup year identified in the charter school's application. If a charter school that has delayed commencement of operation pursuant to NRS 386.527 fails to commence operation, the year after its original planned commencement and wishes to begin operation at some future date, it must submit for review and approval by the SPCSA a charter school application during the application submission window identified in regulation for that future date.

Member Luna motioned for the approval of the SPCSA staff's language regarding the postponement of commencing charter school operation. Michael Van seconded. Member Luna asked if this would only apply to schools in the future. Chair Conaboy said yes. There was no further discussion. The motion carried unanimously.

Agenda Item 7 – Approval of New America School's request for an extension of Subsection 7 per NAC 386.240(1)

Tom McCormack then explained New America charter school's request for delaying commencement of operation for one year. He outlined the letter that was sent by New America explain lack of funds and facilities as the reason for the delay. He then explained that this delay would be the only one that would be allowed by the Authority. If they decided to delay beyond the 2015-2016 school year then the school would be required to submit a new charter application for review by SPCSA staff.

Member Mackedon moved to approve New America's request for delay in commencement of operation. Member Van seconded. There was no discussion. The motion carried unanimously.

Agenda Item 8 – Discussion and possible action regarding the Nevada Interscholastic Athletic Association (NIAA) proposed regulations and possible next steps for the Authority

Senior Deputy Attorney Chesney explained that he had looked into the NIAA and what it does for athletics in Nevada. The Nevada Interscholastic Activities Association (NIAA) is a non-profit organization of secondary schools in Nevada. In essence, the NIAA is the governing body of high school athletics and activities in the Silver State as recognized by the Nevada state legislature. It is important to note, however, that the NIAA does NOT receive state funding. The NIAA's revenue streams are corporate partnerships, event ticket sales and member school's dues.

The original (NIAA) Nevada Interscholastic League was formed in 1922. It became affiliated with the National Federation of State High School Associations (NFHS) in 1939. School administrators established the League in order to develop and enforce high school athletic welfare and safety standards, eligibility and amateurism policies, and ethical conduct and behavior policies that would complement the academic work of students. The NIAA ensures that Nevada's student-athletes engage in pure competition under uniform regulations.

As of September 2013, the NIAA had 106 member schools divided into four divisions. The NIAA is responsible for sponsoring, directing and developing athletics and activities in Nevada's high schools. In addition, the NIAA oversees the Nevada Association of Student Councils (NASC). The NIAA office is responsible for sanctioning activities, conducting post-season tournaments, regulating officials and providing a host of services to its member schools. The Nevada Interscholastic Activities Association is incorporated in compliance with NRS 81.170-81.280 and was recognized in 1974 under the provisions of NRS 386.420-.470.

He then explained that he read the most recent minutes for the NIAA meetings and he said they had found discussion of charter schools. He explained the applicable statute for pupils participating in athletics while attending a charter school. He explained that the NIAA has no proposed official regulation changes regarding charter schools. It was evident however, that some charter schools were applying for membership with the NIAA. Mr. Chesney said that the NIAA would again be taking the issue up at its upcoming February meeting and perhaps more information would be available then. Member Van said that he could speak with members of the NIAA and clarify what was or was not being proposed for regulation changes. Both Mr. Chesney and Member Van said they would have additional information regarding this topic at the next SPCSA Authority meeting.

Agenda Item 9 – Discussion and possible action regarding proposed NAC revisions

Tom McCormack, Education Program Professional, began by explaining staff was recommending the Authority approve the proposed change NAC changes regarding charter schools so that they may be able to take the proposals to the State Board of Education, who hold regulatory power. The proposed changes by the SPCSA are considered only proposed until the State Board of Education takes action on them. Mr. McCormack said that SPCSA staff had been working with various charter school stakeholders during the NAC revision process. All of the charter schools have been kept up-to-date during the process and their suggestions have been both vital and much appreciated.

Chair Conaboy asked about the schools districts as sponsors and whether they actually want to sponsor new charter schools. Currently they are not sponsoring new charter schools in what some consider as a moratorium on new district-sponsored charter schools. Mr. McCormack said that there is not officially a moratorium; however that is what is effectively in place right now. Chair Conaboy asked that staff make clear in their request for NAC revisions that all sponsors are held to the same standards, and that it is the statutory responsibilities of the Authority to work to have all sponsors adhere to higher standards.

Dan Tafoya, Clark County Charter School Consultant, also spoke about the district sponsoring. He said that his office has been working with the Authority in order to make their sponsoring process mirror national best practices as close as possible. He said that it is always a healthy idea to have a periodic review of the sponsors in the state in order to ensure they are adhering to sound sponsoring practices. Member Wahl also added that while she believes that all sponsors should adhere to the same NAC requirements, but she also understands that they are their own sponsor as well and may want to do some things differently than other sponsors in the state.

Nora Luna motioned to submit the proposed the NAC revision, along with the letter received and entered into testimony and assurances that assures this was a collaborative process with charter schools and the Authority, to the State Board of Education for their consideration. Member Van seconded. There was no further discussion. The motion carried unanimously.

Agenda Item 14 – Charter School Association of Nevada Update

Member Mackedon began her update by explaining the work that CSAN has been accomplishing over the past year. She said they had hired a new Executive Director. Lauren Tevish will serve as the Executive Director for CSAN and hopefully work to generate a more robust community between the charter schools in Nevada. She is also working on setting up the annual CSAN conference that will take place later in 2014.

Agenda Item 11 – Update Regarding the Charter School Revolving Loan Account

Director Canavero explained the process for the charter loan application as Brian Flanner was unable to attend the meeting. He said the Mr. Flanner had conducted meetings with the charter schools in order to train them on how to apply for the loan. Per NRS 386.578, if the governing body of a charter school has a written charter issued or a charter contract executed pursuant to NRS 386.527, the governing body may submit an application to the State Public Charter School Authority (SPCSA) for a loan from the Account for Charter Schools.

Per NRS 386.577 the SPSCA may use the money in the Account for Charter Schools only to make loans at or below market rate to charter schools for the costs incurred: (a) in preparing a charter school to commence its first year of operation; and (b) to improve a charter school that has been in operation. The total amount of the loan that may be made to a charter school must not exceed the lesser of an amount equal to \$500 per pupil enrolled or to be enrolled at the charter school or \$200,000.

The process for requesting reimbursement for costs incurred is as follows: Only charter schools whose Charter School Revolving Loan application, including budget; has been approved by the SPCSA may request reimbursements from the Account for Charter Schools. The charter school must designate one loan account liaison for requesting reimbursements from the SPCSA. Only expenses identified in the budget that was approved by the SPCSA will be reimbursed. An individual, on behalf of a school, or a school; will incur expenses pursuant to NRS 386.577.

The charter school loan account liaison will then request a reimbursement from the SPCSA with receipts attached. The SPCSA will then reimburse the charter school who may in turn reimburse the individual who incurred the expense, if applicable.

Agenda Item 12 – Appointment of Interim Director

Chair Conaboy then explained that because of Director Canavero's departure to the Nevada Department of Education, the Authority would be responsible for appointing an Interim Director until the permanent director could be found. Tom McCormack, Education Program Professional, was chosen to become the Interim Director. It was made clear that Mr. McCormack would not officially become Interim Director until midnight January 11, 2014.

Member Mackedon moved to appoint Tom McCormack as the Interim Director of the State Public Charter School Authority, effective midnight January 11, 2014. Member Van seconded. There was no further discussion. The motion passed unanimously.

Agenda Item 6 – Discussion and possible action related to items discussed during the January 9, 2014 Authority Retreat

After discussion from the retreat, the Authority again took up the question as to how to pursue effective charter school governance training and if that would include the contract proposed by The High Bar. Chair Conaboy recalled the previous day's discussion and some of the ideas that had been thought of during it. She brought up Member McCord's idea to form an academy in-house that would be responsible for providing school's the necessary training and resources for governance training. Chair Conaboy asked if Member Mackedon could discuss her thoughts she had on the topic.

Member Mackedon began by saying a lot of the schools don't have a large budget in this area. She said that while her school does send some of its board members to National Association of School Boards, other schools may not be in the position to do that right now. She said the one thing that those conferences really miss is the one-on-one training that a contract with the High Bar would be able to provide. She said she personally feels it would be valuable for the schools to be able to opt-in to training by the High Bar. She said that if schools don't opt in, then they could be reimbursed by the Authority.

Member Van thought using a carrot-stick approach would work. If the school opts into the training, they may be eligible for a reimbursement for a determined amount if they reach certain benchmarks that would be decided upon later.

Member Wahl asked how the opt-in would actually work. Director Canavero said that it could work in a variety of ways based on what was decided on by the Authority. The idea had not been discussed with the High Bar, and details of how the opt-in/opt-out structure would still need to be determined. Director Canavero said they would set a certain number of slots that schools would be able to apply for, and then if the program worked for those schools, the next year the SPCSA could set up more spots with the High Bar. Chair Conaboy said that it is obvious that there is a need for more training and board education, but the way to provide that training is still undetermined. She then asked Director Canavero if staff could look at different models and ways the issues could be approached, understanding that The High Bar is the gold standard, but the price may be too high. She also added that the district schools also see this as an issue as well, and maybe the Authority could collaborate with the district sponsors and CSAN to provide the necessary education.

Director Canavero explained how this type of things looks like in other states. He said that other states work on a fee-based model and that fee goes into self-funding the training that the sponsors have put together for the schools. He said this could be a great way to help schools through CSAN.

Chair Conaboy also added that if CSAN takes an active role in facilitating this training, than some of the funds that were going to be used for the High Bar contract could be used through CSAN to provide the education. Director Canavero said that would be a great idea.

Member Wahl motioned to direct staff to research, and bring forth ideas to meet the needs of not only boards, but the principals, teachers, and to include the possibility to work with CSAN to that end. Member Abelman seconded. The motion carried unanimously.

Director Canavero then asked for clarification from the chair regarding hiring a Public Information Officer and the human capital that would involve. He wanted to ensure that Chair Conaboy's direction was followed clearly and correctly. Chair Conaboy said that she wanted to pursue the Public Information Office, along with government affairs, so the SPCSA would be well-positioned during the next legislative session.

Director Canavero then asked the Authority to look at the Alliance Model Rankings that were included in their support document. He explained the gains that Nevada had made in National charter law rankings. He said that he expects that due to legislation and policies that have been put into place by the Authority, Nevada would see another large jump in their rankings to even better reflect the work that has been done.

Agenda Item 13 – Overview of Authority Board work in the next 3 months

Interim Director McCormack explained that the SPCSA staff had put together the Operation Manual and the Reporting Requirements manual for the schools to use in their reporting and operations procedures. He said that staff will be seeking Authority approval for the Operations Manual upon the final draft being completed.

He also explained there was work being done to eliminate the 120-day enrollment window that inhibits charter schools from enrolling pupils earlier in the year. He said that while the actual elimination of this regulation would not take place until June 2014; SPCSA staff had been busy working with the Nevada Department of Education to ensure this 120 limit would not affect the schools that had been approved earlier in the meeting.

Member Luna also asked that staff break out the student populations in the charter schools by ethnicity. Katherine Rohrer said that she had finished that work and would recirculate the information to the Authority members.

Finally, Dr. Canavero thanked the Authority for all the work that had been accomplished during his tenure as Director of the SPCSA. He said one of the strongest aspects of charter schools in Nevada was the excellent Authority Board that was in place to sponsor them. HE said that he feels during the search that this will be a strong argument in favor of someone choosing to apply to become the Authority's next director.

Members of the Authority all thanked Dr. Canavero for his hard work and wished him well at the Nevada Department of Education.

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

STATE PUBLIC CHARTER SCHOOL AUTHORITY

SUPPORTING DOCUMENT

S U B J E C T: Authority Update

<u> / / </u>	Public Workshop
<u> / / </u>	Public Hearing
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MEETING DATE: March 4, 2014

AGENDA ITEM: 3

NUMBER OF ENCLOSURE(S): 1

PRESENTER(S): Kathleen Conaboy, Chair, SPCSA

RECOMMENDATION:

FISCAL IMPACT:

BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):

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

BACKGROUND:

SUBMITTED BY: _____

STATE PUBLIC CHARTER SCHOOL AUTHORITY

SUPPORTING DOCUMENT

**SUBJECT: Update on search for new
SPCSA Director**

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

MEETING DATE: March 4, 2014

AGENDA ITEM: 4

NUMBER OF ENCLOSURE(S): 1

PRESENTER(S): Kathleen Conaboy, Chair, SPCSA

RECOMMENDATION:

FISCAL IMPACT:

BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):

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

BACKGROUND:

SUBMITTED BY: _____

STATE PUBLIC CHARTER SCHOOL AUTHORITY

SUPPORTING DOCUMENT

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

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

MEETING DATE: March 4, 2014
AGENDA ITEM: 5
NUMBER OF ENCLOSURE(S): 1

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

RECOMMENDATION:

FISCAL IMPACT:

BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):

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

BACKGROUND:

SUBMITTED BY: _____

Nevada K-12 Funding

SB 500 (2013):
Task Force on K-12 Funding
January 31, 2014

Julla Teska
Deputy Superintendent, Business and Support Services
Nevada Department of Education

NEVADA PLAN

"The Legislature declares that the proper objective of state financial aid to public education is to ensure each Nevada child a reasonably equal educational opportunity."

Recognizes a "wide local variations in wealth and costs per pupil [among school districts]."

**NRS 387.121
(1967)**

NEVADA PLAN Overview

- › **Statewide formula-based funding for K-12**
- › Not markedly changed in approx. 40 years
- › Does not consider weighting by grade 1-12
 - Only Pre-K/K (weighted at 60% of grade 1-12)
- › **No targeted formula-based funding for individual student differences**
- › However, student-specific state categorical funding is provided outside the Nevada Plan

3

K-12 Funding Components

- › **What funds do districts currently receive?**
 - Distributive School Account (DSA) - Basic Support Guarantee
 - Local revenues outside the guarantee
 - State categoricals/grants
 - Federal grants
 - Fees/Earnings/Other Misc



4

Distributive School Account

▮ The DSA

- Built every other year for the biennium
- Uses actual expenditures as starting point
- Includes 2% "roll-ups" for movement on scale
- Includes fringe benefit rate adjustments comparable to those used for state employees (PERS, health benefits, etc.)
- Includes projected enrollment growth
- Uses projections for major revenues and actual base year receipts for minor revenues

5

Distributive School Account

- ▮ All expenditures in the districts' general fund and spec ed fund used for base
- ▮ Statewide Basic Support Guarantee is determined by revenues
- ▮ Revenues inside the Guarantee
 - Local School Support Tax (LSST)
 - 1/3 of PSOPT and NPM
 - Slot tax, Federal Mineral Lease Revenues, Permanent School Fund transfer
 - Through 2015 IP 1 (2009) Room Tax Transfer
 - Beginning 2014 SB 374 Medical Marijuana Taxes
 - State General Fund Appropriations
- ▮ All other DSA revenue are outside the Guarantee



6

DSA – Equity Allocation Model History

- **Allocates Basic Support** among school districts
 - Does not specifically mandate periodic review
 - Created by committee (second iteration 2004):
 - District superintendents
 - State and district fiscal staff
- Phased in over five years to minimize impact of the calculation changes between the two models

7

DSA – Equity Allocation Model Factors

- **Enrollment:** Current and forecast (Count Day)
- **Baseline:** 2004 cost ratios, with 2008–2011 Transportation and Operating Expenses
- **Forecasts:** Outside revenue projections
- **Transportation costs:** 4–year average – per pupil



8

DSA – Equity Allocation Model Factors

- **Groupings:** By district size, density and costs
 - Large: Clark, Washoe
 - Centralized: Carson, Churchill, Douglas, Lyon
 - Rural: Elko, Humboldt, Nye, Lander, White Pine
 - Small: Lincoln, Mineral, Pershing, Storey
 - Very Small (High Cost): Esmeralda, Eureka
- **Teacher allotment:** By population and density

SPCA?

9

DSA – Equity Allocation Model District Per Pupil Calculation

Statewide average Basic Support, adjusted for wealth, transportation and operating costs (per pupil, by district):

Basic Support (according to Nevada Plan)


- Less Equalized transportation cost (2008–2011)
- Times Cost ratio (Basic Support Ratio)
- Plus Wealth factor (project major rev, actual minor)
- Plus Transportation (2008–2011)

10

DSA -- Equity Allocation Model Modules Overview

Composed of 12 Modules

- **Revenue**
 - Modules 3 and 8
- **Costs**
 - **Transportation**
 - Module 4 and 9
 - **Non-Transportation**
 - Modules 4, 5 and 6
- **Support and calculation modules**
 - Teacher Allotment and Modules 1-2, 7 and 10-12



11

DSA -- NEVADA PLAN Equity Allocation Per-Pupil Funding Summary

School Districts	Average Statewide Basic Support (\$ per Pupil)	Subtract: Average Statewide Transportation Costs (\$ per Pupil)	Equals: Average Statewide Basic Support, Net of Transportation (\$ per Pupil)	Multiply: Cost Ratio by District	Add: Transportation Costs by District (\$ per Pupil)	Add: Wealth Factor by District (\$ per Pupil)	Add: Basic Support Pro-Rata Adjustment	Equals: Basic Support by District (\$ per Pupil)
Carson City	\$5,590	\$363	\$5,227	1.1621	257	193	12	6,537
Clark	\$5,590	\$363	\$5,227	.9607	344	80	11	5,457
Elko	\$5,590	\$363	\$5,227	1.2030	341	(32)	13	6,610
Eureka	\$5,590	\$363	\$5,227	2.4195	1,960	(14,596)	0	11
Nye	\$5,590	\$363	\$5,227	1.2663	566	(160)	13	7,038
Washoe	\$5,590	\$363	\$5,227	1.0044	327	(84)	11	5,504
State Average	\$5,590	\$363	\$5,227					

12

DSA – Equity Allocation Model Revenue

- ▶ **Total outside revenue (per pupil)**
 - Statewide average
 - By district
- ▶ **Calculate district variance from statewide average**

School Districts	Outside Revenue (\$ per Pupil)	Outside Revenue Variance (\$ per Pupil)
Carson City	\$831	\$193
Clark	\$944	\$80
Elko	\$1,056	(\$32)
Eureka	\$15,620	(\$14,596)
Nye	\$1,184	(\$160)
Washoe	\$1,108	(\$84)
State Average	\$1,024	

13

DSA – Equity Allocation Model Transportation Costs

- ▶ **Transportation costs are calculated:**
 - By district
 - Per pupil
- ▶ **Then averaged over 4 years and adjusted for growth**

School Districts	Add: Transportation Costs by District (\$ per Pupil)
Carson City	\$257
Clark	\$344
Elko	\$341
Eureka	\$1,960
Nye	\$566
Washoe	\$327
State Average	\$363

14

DSA – Equity Allocation Model Non-Transportation Costs

1. **Total statewide expenses**
Teacher salary + Operations
2. **Statewide expenses (per pupil)**
3. **Cost ratio (per pupil by district)**

School Districts	Total Expense (\$ per Pupil)	Multiply Cost Ratio by District
Carson City	\$5,881	1.1621
Clark	\$4,862	0.9607
Elko	\$6,088	1.203
Eureka	\$13,724	2.4195
Nye	\$6,409	1.2663
Washoe	\$5,083	1.0044
State Average	\$5,061	1.000

15

DSA Concerns

- **DSA Concerns**
 - Focus is Basic Support – not the complete picture – only a part of the funding
 - Basic Support can be misleading
 - If property taxes increase sharply (NPM, construction and value increases), funding to schools can increase with the Basic Support dropping

16

DSA Concerns

	FY 2015	FY 2016
Total Expenditures	3,002,794,007	3,100,692,824
PSOPT 2/3 Outside	402,234,503	500,000,000
Other	137,060,986	137,060,986
Basic Support Guarantee	2,463,498,518	2,463,631,838
PSOPT 1/3 Inside	201,117,252	250,000,000
Other	2,262,381,267	2,213,631,838
Enrollment	434,023	441,271
Basic Support Per Pupil	5,676	5,583
Total Spending Per Pupil	6,919	7,027

17

DSA – Equity Allocation Concerns

- ‡ DSA is subject to volatility in both revenues (state and local) and district expenditures
- ‡ Not fully guaranteed (only 1 / 3 of PSOPT/NPM)
- ‡ Full year funding based on single count day
- ‡ Does not account for differences in student populations (ELL, Spec Ed, GATE, poverty, etc.)
- ‡ Expenditure, not cost, based
- ‡ Budget (DSA) developed with different methodology compared to allocation model



18

Other Funds

- ▶ **Special Education – State**
 - Currently unit-based allocation
 - Unit = Special Education Teacher
 - Old Model – established prior to mainstreaming
 - Unit reimbursement is not the cost of a teacher
 - FY 2014 = \$41,608 per unit – \$126.8 million total
 - FY 2015 = \$42,745 per unit – \$130.3 million total
 - Number of units fixed since 2009 (3,049 units)
- ▶ **Special Education Federal**
 - IDEA Approx \$65 – 70 million per year

19

Other Funds

- ▶ **Class Size Reduction**
 - Grades 1–3
 - 16:1 grades 1 and 2; 19:1 grade 3
 - Optional Alternative Program
 - Counties under 100,000 population
 - 22:1 grades 1–3; 25:1 grades 4–6
 - 23.5 FTE for At-Risk Kindergarten (16:1)
 - Funding
 - FY 2014 \$161.7 million
 - FY 2015 \$166.4 million

20

Other Funds

Kindergarten

Full Day Kindergarten

Funding based on Free and Reduced-Price Lunch (FRL)

FY 2014 \$36.7 million (+\$3.5 million for portables)

FY 2015 \$40.8 million

Kindergarten Class Size Reduction

21:1 with variance allowed up to 25:1

FY 2014 \$15.5 million (+\$10 million for portables)

FY 2015 \$23.8 million (+\$4 million for portables)



21

Other Funds

English Language Learners

State Funds

SB 504

Clark – \$19.7 million per year

Washoe – \$3.7 million per year

Rural and Charter Schools – \$1.5 million per year

Federal Funds

English Language Acquisition

Approx \$8 million per year

22

Other Funds

- Title I
 - ▾ Federal funds allocated based on poverty
 - ▾ Funding approx \$95 – 100 million per year

- Jobs for America's Graduates
 - ▾ State Funds
 - \$750K per year
 - ▾ Federal and Other Funds
 - \$1.4 million
 - ▾ At-Risk Schools



23

Other Funds

- Career and Technical Education
 - ▾ State Funds
 - Approx \$3.3 million per year
 - Additional \$107K per year for student organizations
 - ▾ Federal Funds (Carl Perkins)
 - Approximately \$8.5 million per year

24

Other Funds

- ▶ Gifted and Talented
 - State funds
 - FY 2014 \$169K
 - FY 2015 \$174K
 - Teachers can be part of Special Education Unit Allocation



25

Challenges

- ▶ Is the current funding model equitable?
- ▶ What is equitable?
- ▶ Issues
 - Overly complicated – not transparent
 - Currently uses data from different years – need to standardize
 - Need to revise/update base formula
- ▶ Adjustments to Basic Support
 - Weights for populations?
 - What about state categorical funds?



26

Challenges

- ▶ **Special Education**
 - Easiest portion to change
 - Separate funding source
 - MOE hold harmless

- ▶ **Basic Support**
 - If the pie remains the same size (approx) – how to implement (phase-in) new funding model?



27

Questions?

28

STATE PUBLIC CHARTER SCHOOL AUTHORITY

SUPPORTING DOCUMENT

**S U B J E C T: Introduction of new ASO to
replace Brian Flanner**

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

MEETING DATE: March 4, 2014

AGENDA ITEM: 6

NUMBER OF ENCLOSURE(S): 1

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

RECOMMENDATION:

FISCAL IMPACT:

BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):

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

BACKGROUND:

SUBMITTED BY: _____

STATE PUBLIC CHARTER SCHOOL AUTHORITY

SUPPORTING DOCUMENT

**S U B J E C T: Presentation and discussion of
SPCSA schools' graduation and attrition rates**

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

MEETING DATE: March 4, 2014

AGENDA ITEM: 7

NUMBER OF ENCLOSURE(S): 1

PRESENTER(S): Katherine Rohrer PhD, Education Program Professional, SPCSA

RECOMMENDATION:

FISCAL IMPACT:

BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):

LENGTH OF TIME EXPECTED FOR PRESENTATION (IN MINUTES): 20 mins

BACKGROUND:

SUBMITTED BY: _____

PRESS RELEASE



For Immediate Release
Monday, January 27, 2014

Contact: Judy Osgood
775.687.9201
josgood@doe.nv.gov

NDE RELEASES COHORT GRADUATION RATE FOR CLASS OF 2013 *State Graduation Rate Increases By More Than 7 Percent*

CARSON CITY, NV – Today the Nevada Department of Education (NDE) released the statewide cohort graduation rate for the class of 2013. Statewide, the public high school graduation rate rose more than seven percentage points over the previous year – from 63.08 percent in 2012 to 70.65 percent in 2013. With this increase, Nevada schools graduated 1,113 additional students in 2013 than in 2012.

Twelve school districts improved their graduation rates in 2013. Clark, Eureka, Nye, and the Nevada State Public Charter School Authority increased their graduation rates by nearly ten percentage points or more.

“In approximately two years, many Nevada schools have increased their graduation rates by nearly ten percent,” Governor Brian Sandoval said. “While this is not enough, it is a firm indication that Nevada is moving in the right direction. As our efforts towards reducing class sizes, improving ELL education and implementing all-day kindergarten across the state begin to mature, I am confident that our state’s graduation rate will continue to improve. I applaud each and every student for their hard work and I say thank you to the parents and teachers who worked diligently to help move Nevada forward.”

“I am very pleased that our graduation rate continues to increase,” said Superintendent of Public Instruction Dale Erquiaga. “While Nevada’s graduation rate is still too low and we must direct more attention to certain student populations, we are improving. In order to encourage more students to stay in school, we must make high school relevant for all students and provide targeted support to students who need it most. As we continue to set high expectations, I know that Nevada’s students and educators can rise to the challenge when provided an opportunity to succeed.”

PRESS RELEASE

Nevada's minority populations experienced the greatest improvements in graduation rates. African American students increased their graduation rate from 48.28% to 56.71% and Asian students increased from 74.78% to 82.03%. The largest improvement for the Class of 2013 belongs to Nevada's Hispanic students, improving by 9.53 percentage points. Despite these improvements, Hispanic, American Indian and African American students in Nevada continue to graduate at lower rates than other student subgroups. "The disparity in achievement between different groups of students is unacceptable," said Superintendent Erquiaga. "Even as we celebrate the tremendous gains this year, the Department is renewing its focus on the achievement gap that keeps so many students from being ready for success."

This is the third year Nevada has calculated its graduation rate using a new formula known as the adjusted cohort graduation rate, as required by the U.S. Department of Education. Although all 50 states now report their graduation rates based upon a uniform formula, states award different types of high school diplomas to their students and graduation requirements vary considerably from state to state. Based on the cohort graduation rate first calculated for the class of 2011, the rate of students receiving high school diplomas in Nevada has risen by 8.69 percentage points since 2011.

The Department collects student-level data from districts in the state's longitudinal data system entitled SAIN (System of Accountability Information for Nevada), and works closely with district staff to ensure graduation rate data are valid, accurate and agreed upon. Today's announcement is the earliest in the year the Department has ever announced the graduation rate. Charts showing cohort graduation rates by school district and student subgroup are attached to this release. These and other charts, including school-level data, can be found at the Nevada Report Card website: <http://www.nevadareportcard.com/di/>.

###

PRESS RELEASE

2012-2013 Four Year Adjusted Cohort Graduation Rates by State and District

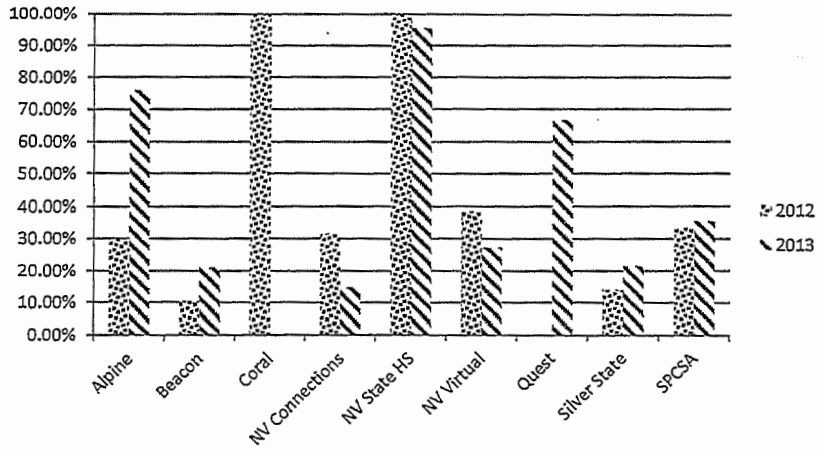
	Four - Year Adjusted Cohort Graduation Rate
State	70.65 %
Churchill	71.95 %
Clark	71.50 %
Douglas	84.96 %
Elko	70.46 %
Eureka	95.00 %
Humboldt	67.06 %
Lander	71.56 %
Lincoln	76.81 %
Lyon	78.55 %
Mineral	51.52 %
Nye	70.20 %
Carson	75.87 %
Pershing	80.39 %
Storey	87.88 %
Washoe	72.62 %
White Pine	77.59 %
State Public Charter School Authority	46.28 %

PRESS RELEASE

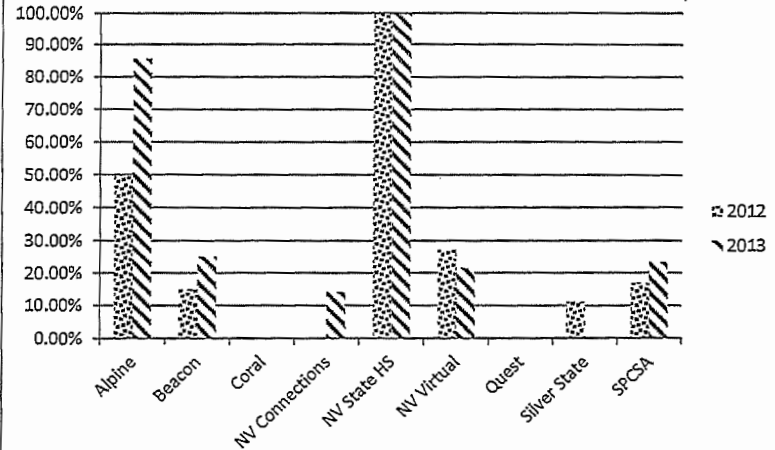
**Comparison of the State Level Total
Adjusted Cohort Graduation Rate**

State Level Data	# of Cohort		# of Graduates		Rate	
	12-13	11-12	12-13	11-12	12-13	11-12
Total Cohort Members	42612	40645	23044	21931	70.65 %	63.08 %
Female	21344	19721	12087	11269	74.02 %	67%
Male	21268	20922	10957	10662	67.27 %	59.4%
American Indian/Alaska Native	579	536	230	213	58.67 %	53.92%
Asian	2490	2473	1735	1634	82.03 %	74.78%
Black	4596	4573	1873	1858	56.71 %	48.28 %
Hispanic	14535	13973	7548	6816	64.39 %	54.86%
Two or More Races	1996	1677	1295	1197	80.14 %	77.73%
Pacific Islander	548	486	329	320	74.77 %	72.23%
White	17605	16122	10028	9854	77.19 %	72.42%
Career and Technical Education	5620	4633	4662	3923	87.85 %	88.16%
Economically Disadvantaged	20608	21830	10530	11297	63.97 %	58.18%
Students with Disabilities	3979	4204	797	874	26.43 %	24.24%
English Language Learners	2995	3660	563	724	24.43 %	22.65%
Migrant	18	15	3	6	30.00 %	54.55 %

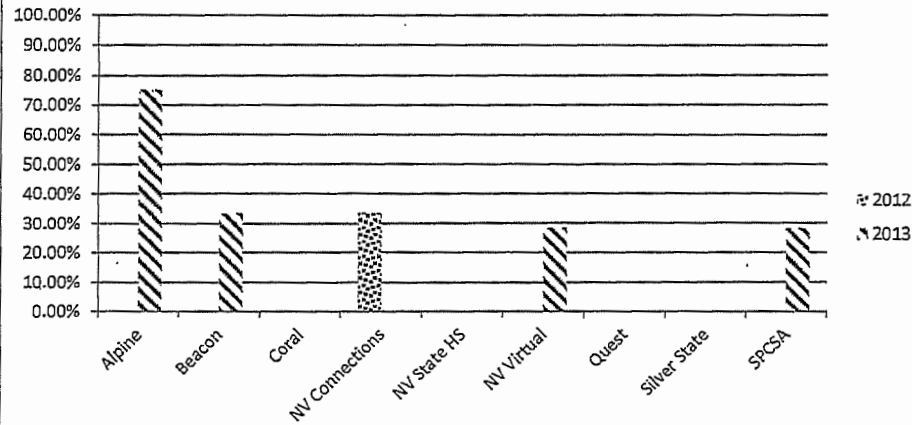
FY12-FY13 Economically Disadvantaged Graduation Rates



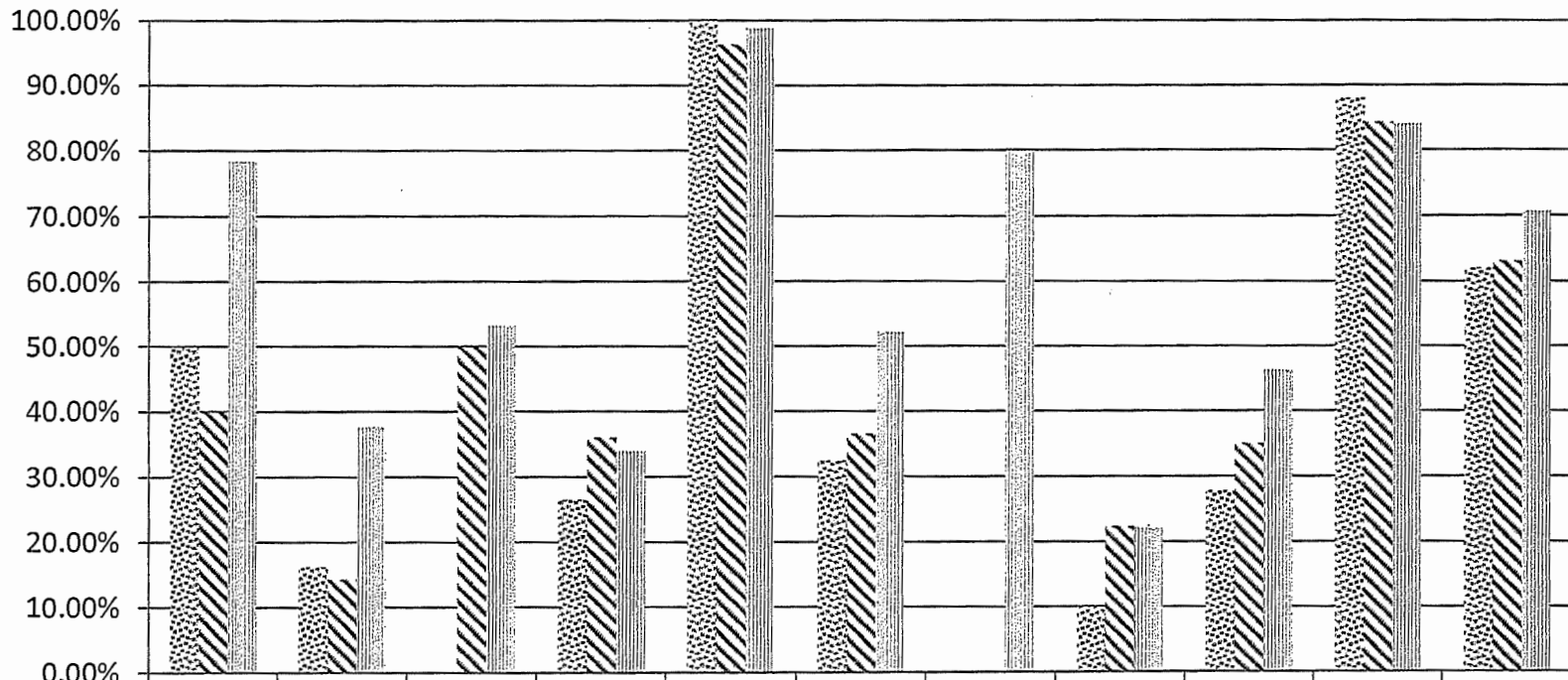
FY12-FY13 Students with Disabilities Graduation Rates



FY12-FY13 English Language Learners Graduation Rate

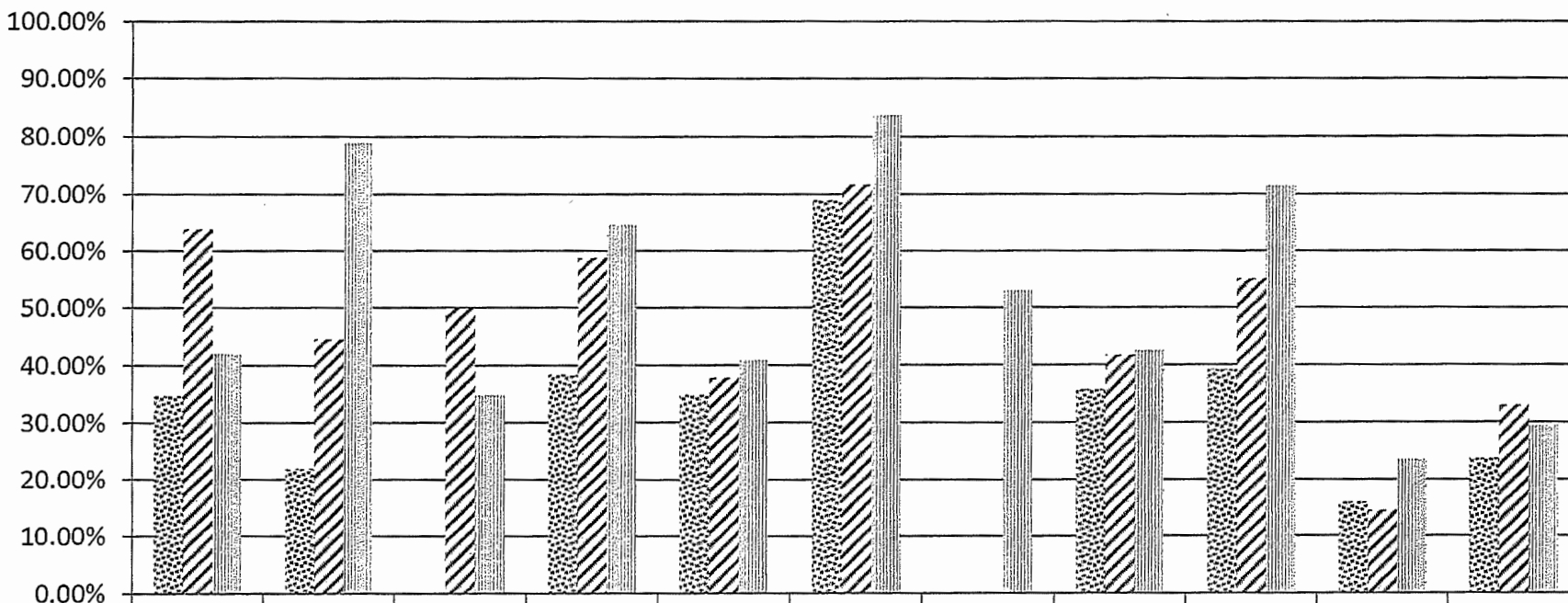


FY11-FY13 4-year cohort graduation rates



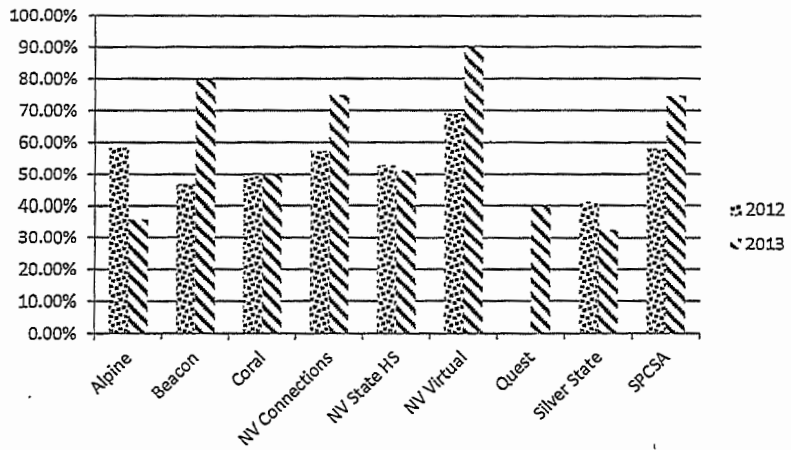
	Alpine	Beacon	Coral	NV Conn.	NV State HS	NV Virtual	Quest	Silver State	SPCSA (District 18)	Carson High School	State of NV
2011 Grad Rate	50.00%	16.17%		26.50%	100.00%	32.47%		10.04%	27.84%	88.08%	61.96%
2012 Grad Rate	40.00%	14.35%	50.00%	36.08%	96.30%	36.56%		22.41%	35.04%	84.31%	63.08%
2013 Grad Rate	78.43%	37.61%	53.33%	33.91%	98.90%	52.29%	80.00%	22.16%	46.28%	84.09%	70.65%

FY11-FY13 Attrition Rates

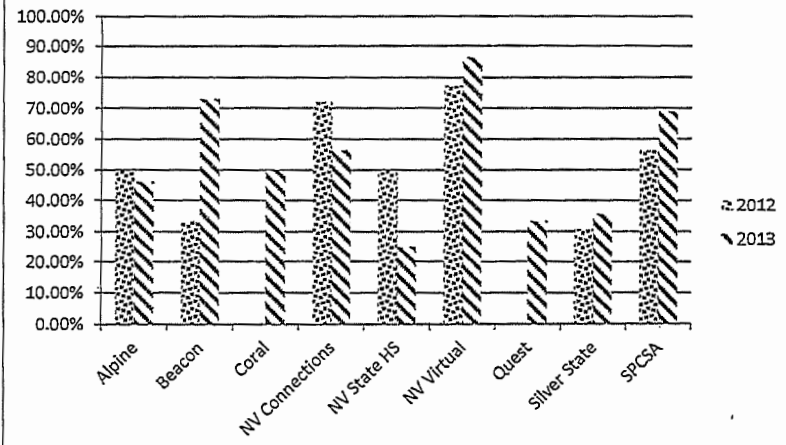


	Alpine	Beacon	Coral	NV Conn.	NV State HS	NV Virtual	Quest	Silver State	SPCSA (District 18)	State of NV	Carson High School
2011	34.78%	21.93%		38.46%	34.88%	68.95%		35.85%	39.19%	15.97%	23.61%
2012	63.86%	44.67%	50.00%	58.75%	37.93%	71.65%		41.81%	55.09%	14.46%	32.98%
2013	42.05%	78.92%	34.78%	64.56%	40.91%	83.69%	53.13%	42.61%	71.48%	23.46%	29.37%

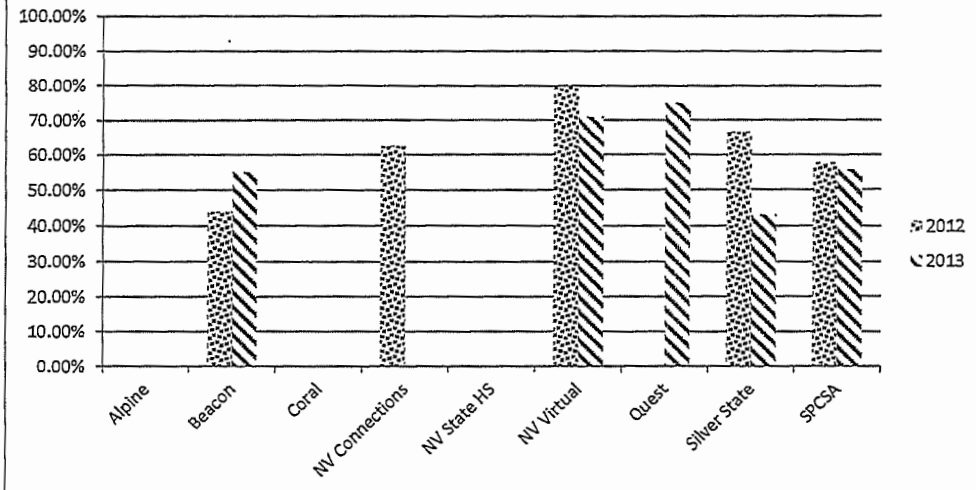
**FY12-FY13 Economically Disadvantaged
% Transferred out**



**FY12-FY13 Students with Disabilities
% Transferred out**



**FY12-FY13 English Language Learners
% Transferred out**



STATE PUBLIC CHARTER SCHOOL AUTHORITY

SUPPORTING DOCUMENT

SUBJECT: Consideration of contract application from Beacon Academy

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

MEETING DATE: March 4, 2014
AGENDA ITEM: 8
NUMBER OF ENCLOSURE(S): 1

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

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

FISCAL IMPACT:

BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):

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

BACKGROUND:

SUBMITTED BY: _____

Charter Contract Application Recommendation Report

Beacon Academy of Nevada

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).

A detailed academic performance report is attached.

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.

Attachments:

- Academic performance report, 2008-2013;
- Recommended motion if the application is approved.

Beacon Academy
FY09-FY13 Academic Summary

Overall Academic Underperformance

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

Low Graduation Rates

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

Low math Proficiency and Growth Rates

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

Reading Proficiency and Growth Rates

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

Proficiency Gap Rates

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

Beacon Academy

AYP

Source: FY09-FY12 NDE AYP final reports

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

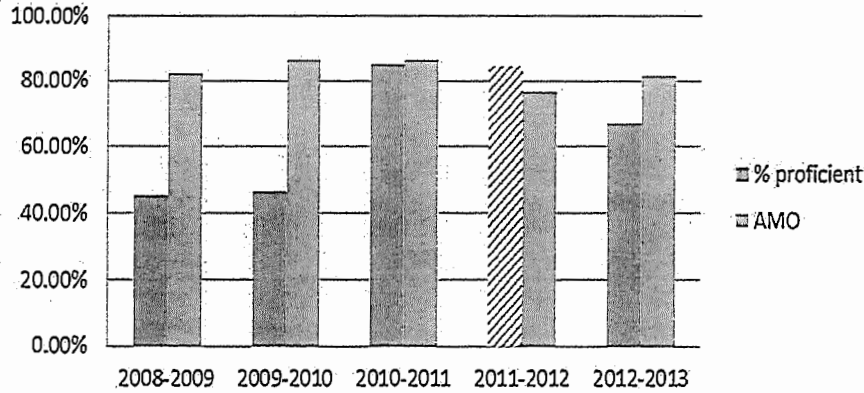
NSPF/SPCSA

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

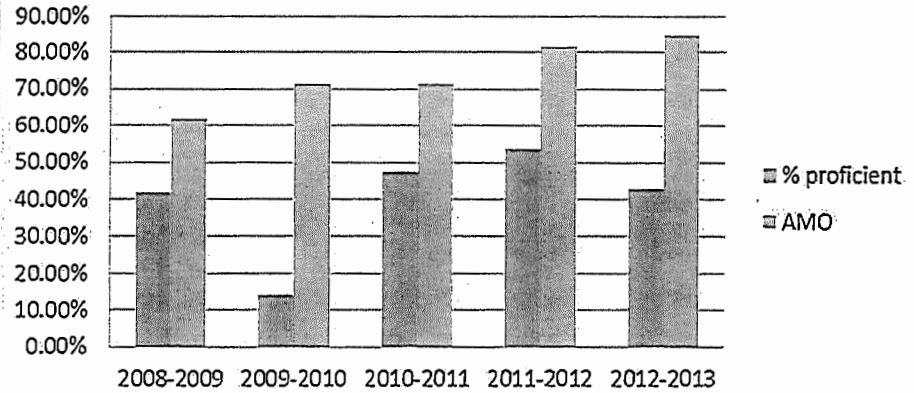
2011/2012	2-star	Approaches (26.53 pts.)	
•	Proficiency 10 th grade		
○	N=74 37.84% ELA	>5 th percentile <25 th percentile	Unsatisfactory
○	N=84 26.2% Math	>5 th percentile <25 th percentile	Unsatisfactory
•	Proficiency 11 th grade		
○	N=70 85.71% ELA	>50 th percentile <75 th percentile	Adequate
○	N=67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

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

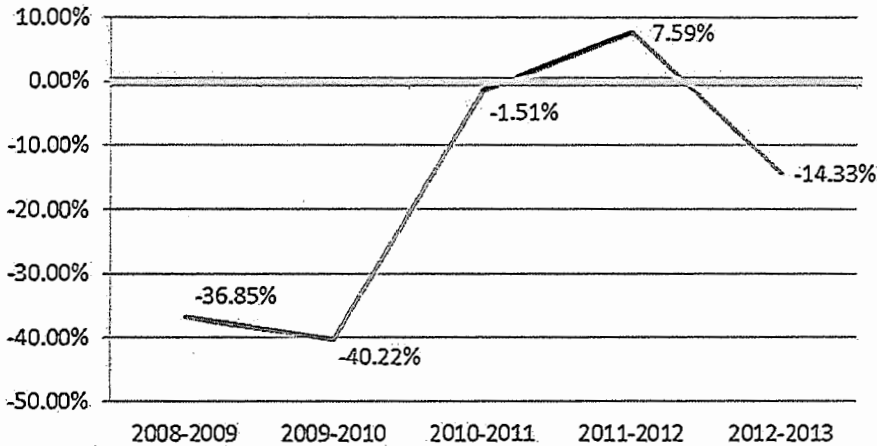
FY09-FY13 % of 11th grade students proficient in Reading compared to AMO



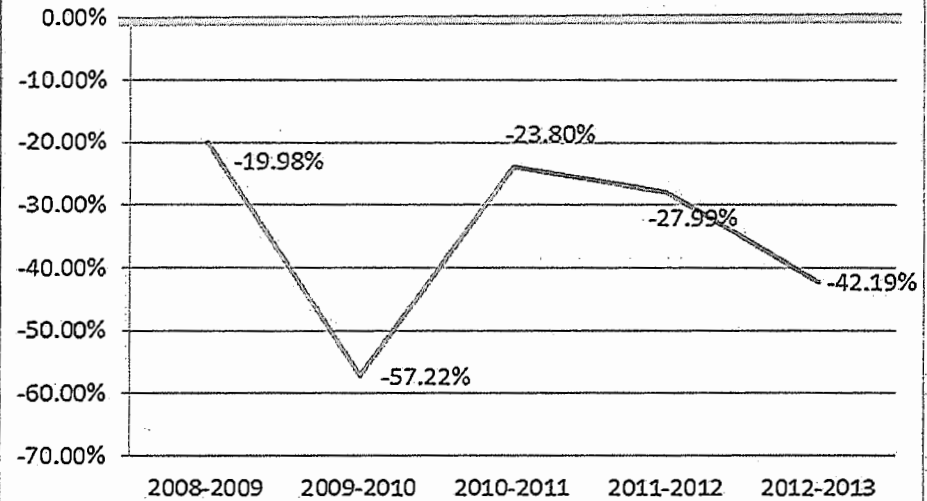
FY09-FY13 % of 11th grade students proficient in Math compared to AMO



FY09-FY13 % above the cut in Reading



FY09-FY13 % above the cut in Math

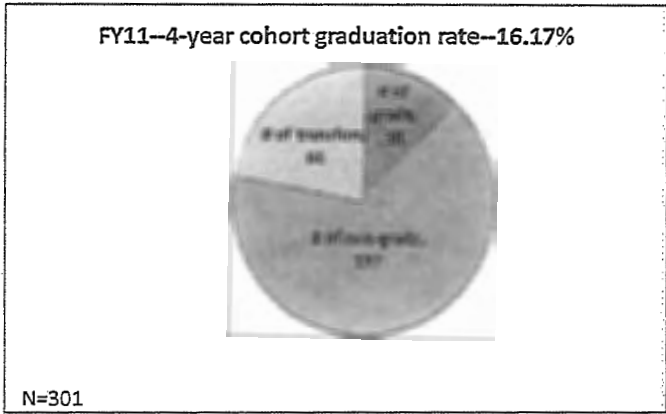


Graduation Rate

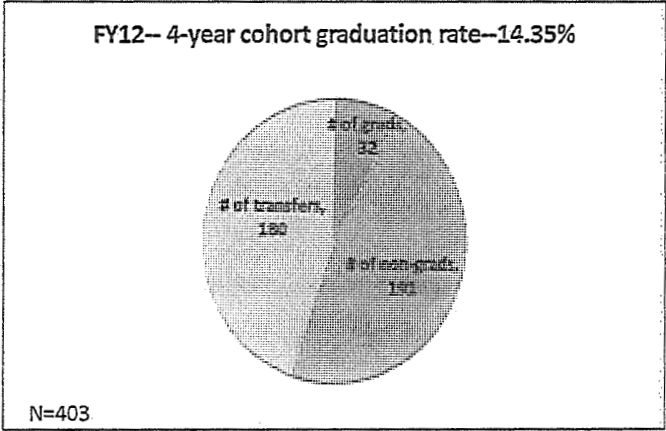
Source: FY11-FY12 NDE graduation rate data files

4-year cohort graduation rate

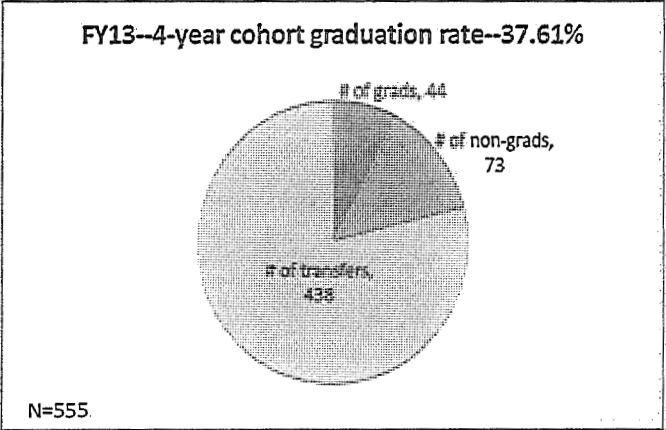
2010/2011	16.17%	Unsatisfactory
• Original cohort #	301	
• ACGR N #	235	
• # of grads	38	
• # of non-grads	197	
• # of transfers	66	
• *Attrition	21.93%	



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



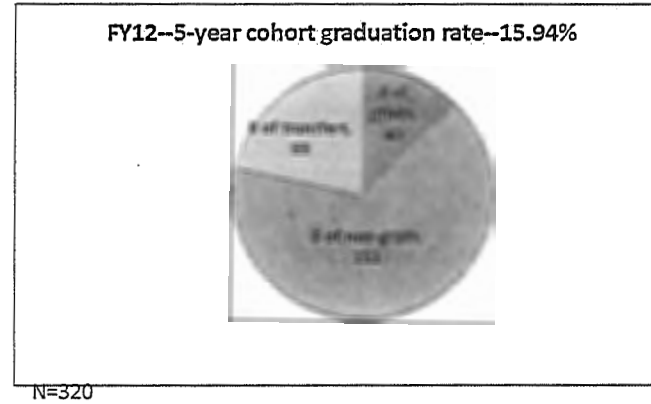
2012/2013	37.61%	Unsatisfactory
• Original cohort #	555	
• ACGR N #	117	
• # of grads	44	
• # of non-grads	73	
• # of transfers	438	
• *Attrition	78.92%	



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

5th year cohort graduation rate

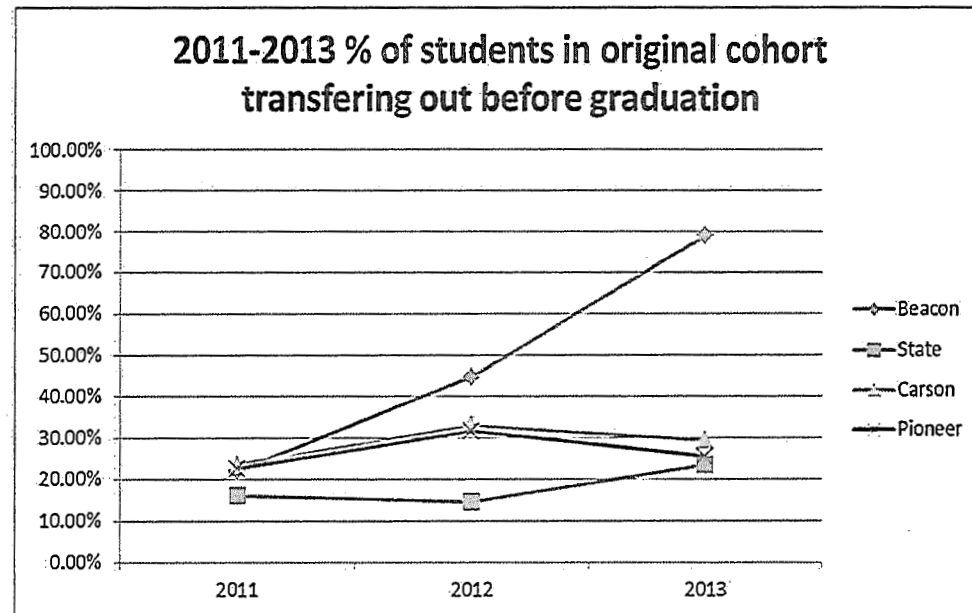
2010/2011 cohort graduating in 2012	15.94%	Unsatisfactory
• Original cohort #	320	
• ACGR N #	251	
• # of grads	40	
• # of non-grads	211	
• # of transfers	69	



Attrition Rates

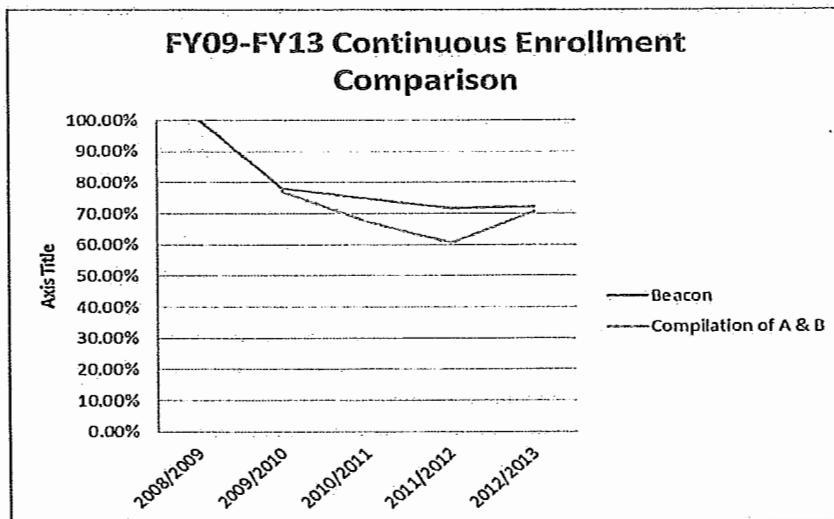
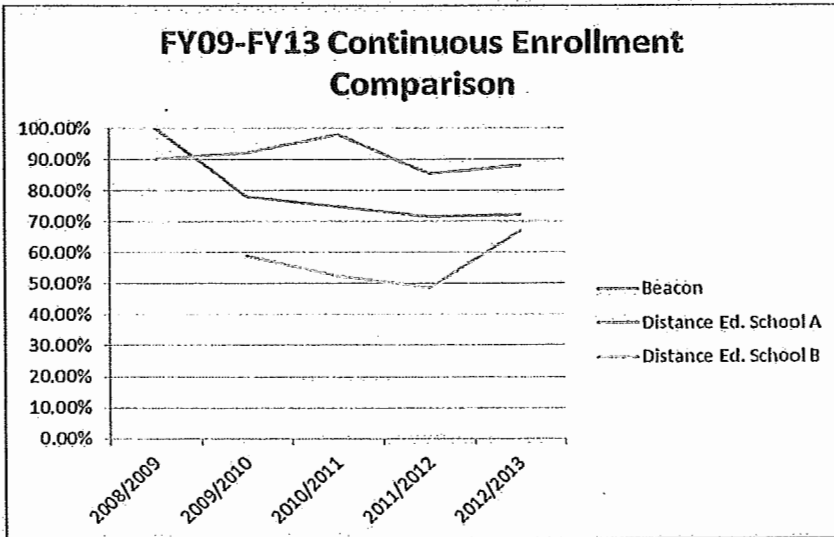
Source: Nevada Report Card

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

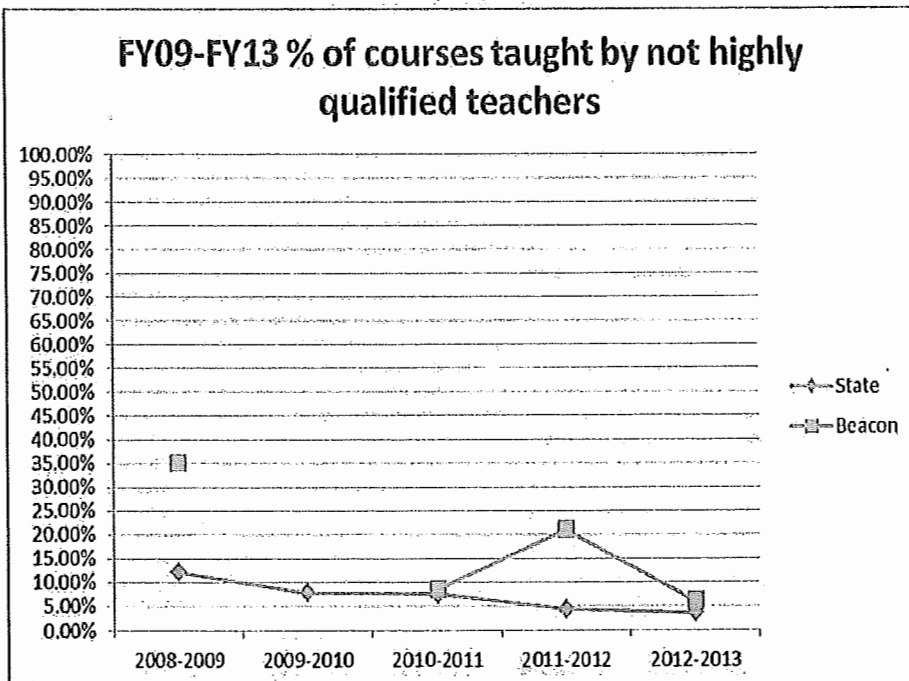


*Attrition equals the number of students from the original Cohort transferring out before graduation.

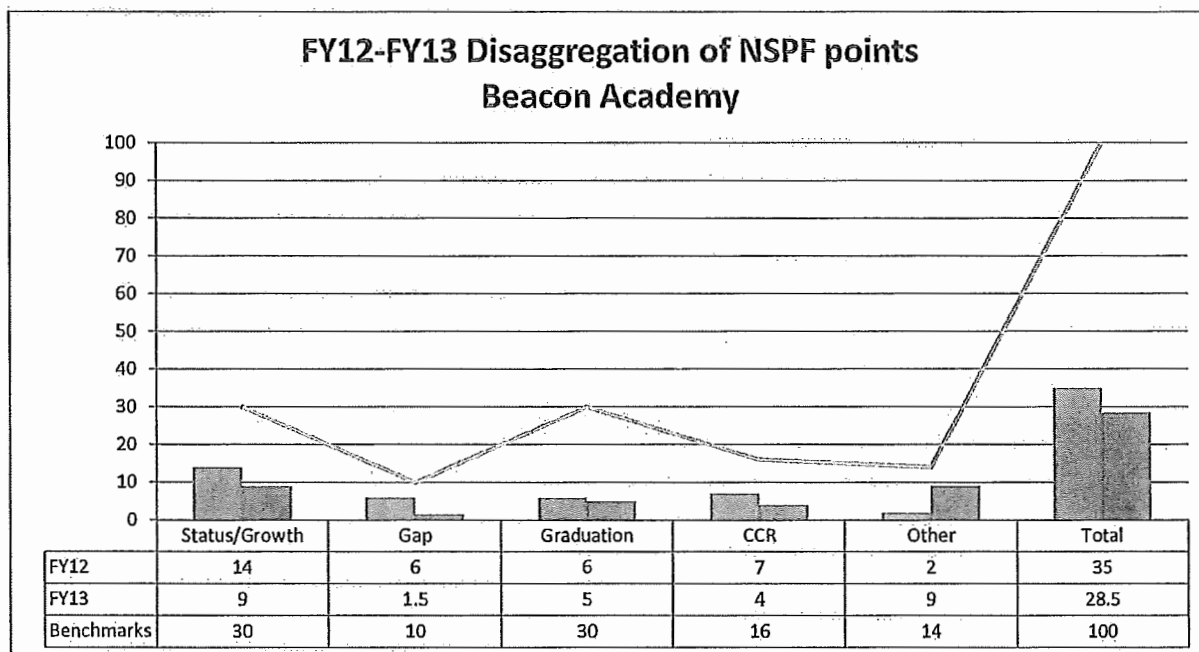
Source: FY09-FY12 AYP Reports and FY13 HSPE state testing data files



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



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



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

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

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

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

409.3	26.53	AP	Overall School Rating
			26.53
			AP

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

NSPF Rating	
409.3	

Beacon Academy of Nevada
9-12 school with a student population of 732

SPCSA Overall School Rating
9.38 U
Does Not Meet Standard

409.3	GROWTH			GAP			STATUS										CAREER & COLLEGE READY						
	MGP Reading (EL, MS, HS)	MGP Math (EL, MS, HS)	AGP Reading Comparison (EL, MS)	AGP Reading (EL, MS)	AGP Math (EL, MS)	EXPLORE to PLAN Growth English (HS)	EXPLORE to PLAN Growth Math (HS)	GAP Reading AGP (EL, MS)	GAP Math AGP (EL, MS)	GAP Reading Proficiency (HS)	GAP Math Proficiency (HS)	Reading Proficiency (EL, MS, HS)	Math Proficiency (EL, MS, HS)	Proficiency Reading Comparison (HS)	Proficiency Math Comparison (HS)	EXPLORE Proficiency English (MS, HS)	EXPLORE Proficiency Math (MS, HS)	PLAN Proficiency English (HS)	PLAN Proficiency Math (HS)	Graduation Rate 4-Year (HS)	Graduation Rate 5-Year (HS)	Post Secondary Readiness (HS)	
	C	C	NA	NA	NA	NA	NA	NA	NA	U	C	U	U	U	NA	NA	NA	NA	NA	U	U	U	NA

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

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

Weighted Percentage	N	Total Pts
	1	9,375

Continuous Enrollment	Eligible	YIS	%
	303	221	72.94%

NSPF Rating
409.3 One-Star

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

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

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

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

STATE PUBLIC CHARTER SCHOOL AUTHORITY

SUPPORTING DOCUMENT

**S U B J E C T: Consideration of contract
application from Quest Preparatory Academy**

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

MEETING DATE: March 4, 2014

AGENDA ITEM: 9

NUMBER OF ENCLOSURE(S): 1

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

RECOMMENDATION: Approve Quest Preparatory Academy's application for a charter contract.

FISCAL IMPACT:

BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):

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

BACKGROUND:

SUBMITTED BY: _____

Charter Contract Application Recommendation Report

Quest Academy Preparatory Education

Quest Academy Preparatory Education (Quest) began operation in the 2008-09 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.

A detailed academic performance report is attached.

Authority staff's recommendation to the Authority Board is to approve Quest Academy Preparatory Education's application for a charter contract.

Attachment: Academic performance report, 2008-2013.

Quest Academy Preparatory Education
FY09-FY13 Academic Summary

2008-2009 K-5, 2009-2010 K-6, 2010-2011 K-7, 2011-2012 K-8, 2012-2013 K-12

Overall Academic Performance

- FY09-FY12, Made AYP.
- FY12 NSPF 3-Star for both Elementary and Middle School.
- FY13 NSPF 2-Star for Elementary, 3-Star for Middle School, 3-Star for High School.
- Using the SPCSA indicators, the FY12 overall school rating was Approaches with 45.92 pts. The FY13 overall school rating was Approaches with 29.70 pts. A drop of 16.22 pts.
- Using the FY12 NSPF Index Scores, Quest Elementary ranked 256th out of 362 Nevada Elementary Schools. Quest Middle School ranked 73rd out of 125 NV Middle Schools. Using the FY13 Index Scores, Quest Elementary ranked 323rd out of 366 NV Elementary Schools. Quest Middle School ranked 96th out of 128 NV Middle Schools. Quest High School ranked 72nd out of 110 NV High Schools.

Math proficiency and growth

- Using FY09-FY12 AYP Reports, the average number of 3rd through 8th grade students with a “Year-in-School” of one and CRT score in Math was 185. Out of these 185 students, 116 (63%) obtained a passing proficiency score of Meets or Exceeds Standard.
- FY09-FY12 % above the cut in Math is consistently negative.
- Using FY12-FY13 NSPF reports, the average number of 3rd-6th grade students with a “Year-in-School” of one and an Adequate Growth Percentile in Math was 130. Out of these 130 students, 46 (35%) met their Adequate Growth target. This means that around two-thirds of these students did not meet their Adequate Growth Percentile target in math.
- Using FY12-FY13 NSPF reports, the average number of 7rd-8th grade students with a “Year-in-School” of one and an Adequate Growth Percentile in Math was 49. Out of these 49 students, 9 (18%) met their Adequate Growth Percentile target. This means that less than a quarter of these students met their Adequate Growth Percentile target.

Reading proficiency and growth

- Using FY09-FY12 AYP Reports, the average number of 3rd through 8th grade students with a “Year-in-School” of one and CRT score in Reading was 185. Out of these 185 students, 109 (59%) obtained a passing proficiency score of Meets or Exceeds Standard.
- Using FY12-FY13 NSPF reports, the average number of 3rd-6th grade students with a “Year-in-School” of one and an Adequate Growth Percentile in Reading was 130. Out of these 130 students, 68 (52%) met their Adequate Growth Percentile target.
- Using FY12-FY13 NSPF reports, the average number of 7rd-8th grade students with a “Year-in-School” of one and an Adequate Growth Percentile in Reading was 49. Out of these 49 students, 22 (45%) met their Adequate Growth Percentile target.

Proficiency and Growth Gap Rates

- For FY12 and FY13, at the elementary school level, the adequate growth percentile (AGP) for students designated FRL, IEP, and/or ELL dropped from adequate to unsatisfactory in ELA. In math, the AGP dropped from unsatisfactory to critical.
- For FY12 and FY13, at the middle school level, the AGP for students designated FRL, IEP, and/or ELL improved from exceeds to exceptional in ELA. In math, the AGP stayed within the unsatisfactory range.
- At the high school level, proficiency gaps for students designated FRL, IEP, and/or ELL were not reported due to small n-sizes.

Quest Academy

AYP K-8

Source: NDE AYP final reports

2008/2009 Adequate (Appealed)

- 90 eligible students 86.7% continuously enrolled
- N=78 41% ELA* AMO 51.70%
- N=78 43% Math* AMO 54.60%

*Proficiency Rates taken from NV Report Card. AYP reports do not record proficiency rates when rates are appealed.

2009/2010 Adequate (Appealed)

- 125 eligible students 89.6% continuously enrolled
- N=112 53% ELA* AMO 63.80%
- N=112 50% Math* AMO 65.90%

*Proficiency Rates taken from NV Report Card. AYP reports do not record proficiency rates when rates are appealed.

2010/2011 Adequate

- 239 eligible students 93.7% continuously enrolled
- N=224 58.71% ELA AMO 63.80%
- N=224 65.47% Math AMO 65.90%

2011/2012 Adequate

- 345 eligible students 94.2% continuously enrolled
- N=325 65.54% ELA AMO 65.83%
- N=325 70.15% Math AMO 73.56%

NSPF/SPCSA

Elementary K-6

Source: NSPF website/SPCSA 11/12 profile

2011/2012 3-star Approaches (46.19 pts.)

- MGP
 - N=116 42 ELA >5th percentile <25th percentile Unsatisfactory
 - N=116 47.5 Math >25th percentile <50th percentile Approaches
- AGP
 - N=116 53.4 ELA >25th percentile <50th percentile Approaches
 - N=116 45.7 Math >5th percentile <25th percentile Unsatisfactory
- Proficiency
 - N=264 67.8% ELA >50th percentile <75th percentile Adequate
 - N=264 73.9% Math >50th percentile <75th percentile Adequate
- Growth Gap AGP
 - N=33 57.6% ELA >50th percentile <75th percentile Adequate
 - N=33 36.4% Math >5th percentile <25th percentile Unsatisfactory

2012-2013 2 star Approaches (29.56 pts.)

- MGP
 - N=144 28.5 ELA <5th percentile Critical
 - N=144 36 Math >5th percentile <25th percentile Unsatisfactory
- AGP
 - N=144 52.1 ELA >25th percentile <50th percentile Approaches
 - N=144 27.1 Math <5th percentile Critical
- Proficiency
 - N=290 66.2 ELA >50th percentile <75th percentile Adequate
 - N=290 63.8 Math >25th percentile <50th percentile Approaches
- Growth Gap AGP
 - N=48 37.5 ELA >5th percentile <25th percentile Unsatisfactory
 - N=48 20.8 Math <5th percentile Critical

Middle School 7-8

Source: NSPF website/SPCSA 11/12 profile

2011/2012	3 star	Approaches (44.79 pts.)		
• MGP				
○ N=29		63 ELA	>95 th percentile	Exceptional
○ N=29		41 Math	>5 th percentile <25 th percentile	Unsatisfactory
• AGP				
○ N=29		41.4 ELA	>50 th percentile <75 th percentile	Adequate
○ N=29		17.2 Math	>5 th percentile <25 th percentile	Unsatisfactory
• Proficiency				
○ N=61		55.73% ELA	>50 th percentile <75 th percentile	Adequate
○ N=61		54.09% Math	>5 th percentile <25 th percentile	Unsatisfactory
• Growth Gap AGP				
○ N=11		36.4% ELA	>75 th percentile <95 th percentile	Exceeds
○ N=11		18.2% Math	>5 th percentile <25 th percentile	Unsatisfactory
2012/2013	3 star	Approaches (30.00 pts.)		
• MGP				
○ N=69		41.5 ELA	>5 th percentile <25 th percentile	Unsatisfactory
○ N=68		42 Math	=25 th percentile	Approaches
• AGP				
○ N=69		45.7 ELA	>50 th percentile <75 th percentile	Adequate
○ N=68		18.8 Math	>5 th percentile <25 th percentile	Unsatisfactory
• Proficiency				
○ N=94		53.2 ELA	>25 th percentile <50 th percentile	Approaches
○ N=93		32.3 Math	>5 th percentile <25 th percentile	Unsatisfactory
• Growth Gap AGP				
○ N=25		44.0 ELA	>95 th percentile	Exceptional
○ N=25		12.0 Math	>5 th percentile <25 th percentile	Unsatisfactory

High School 9-12

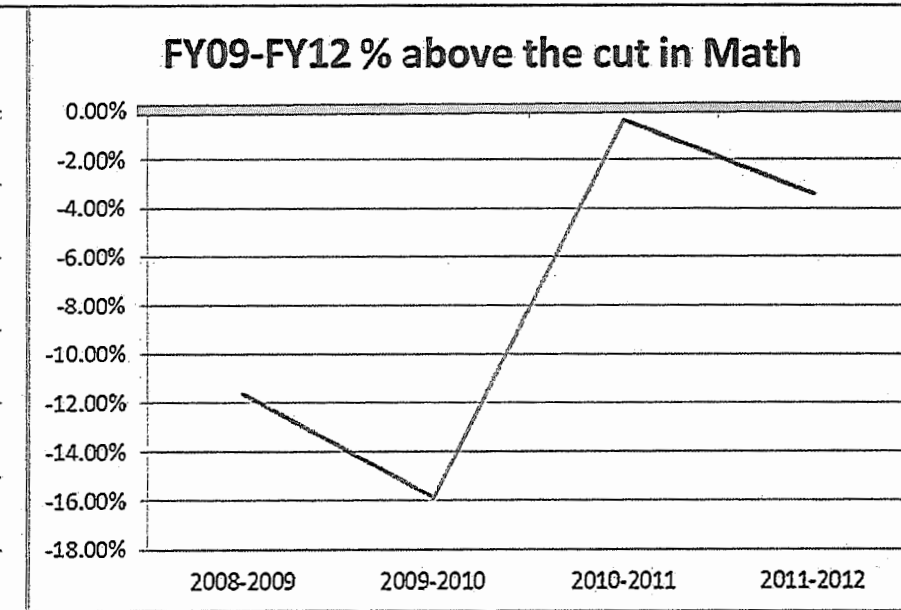
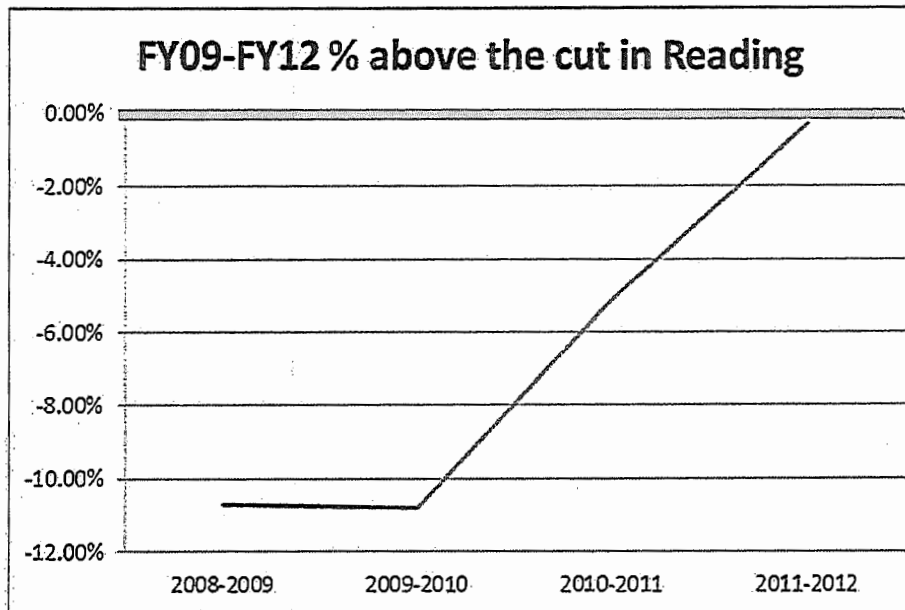
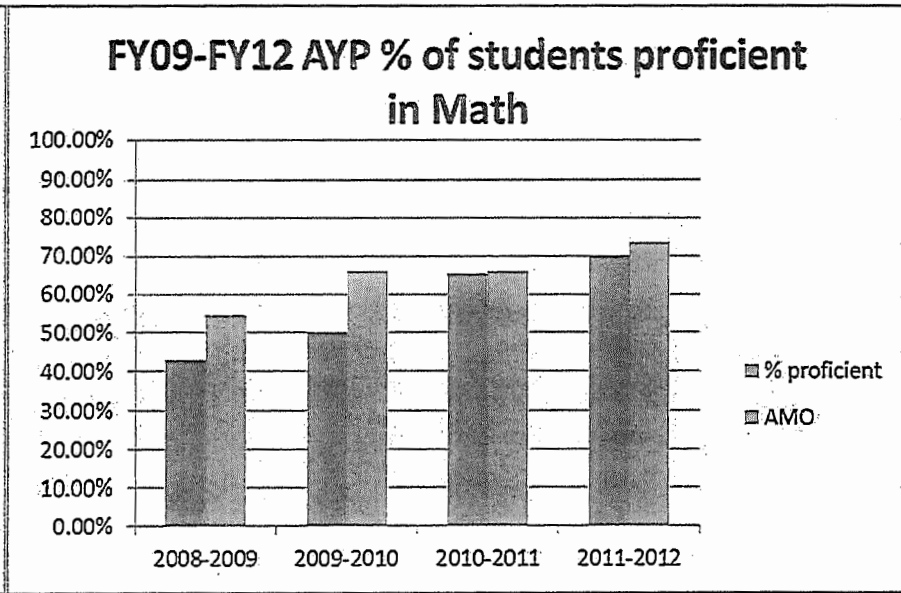
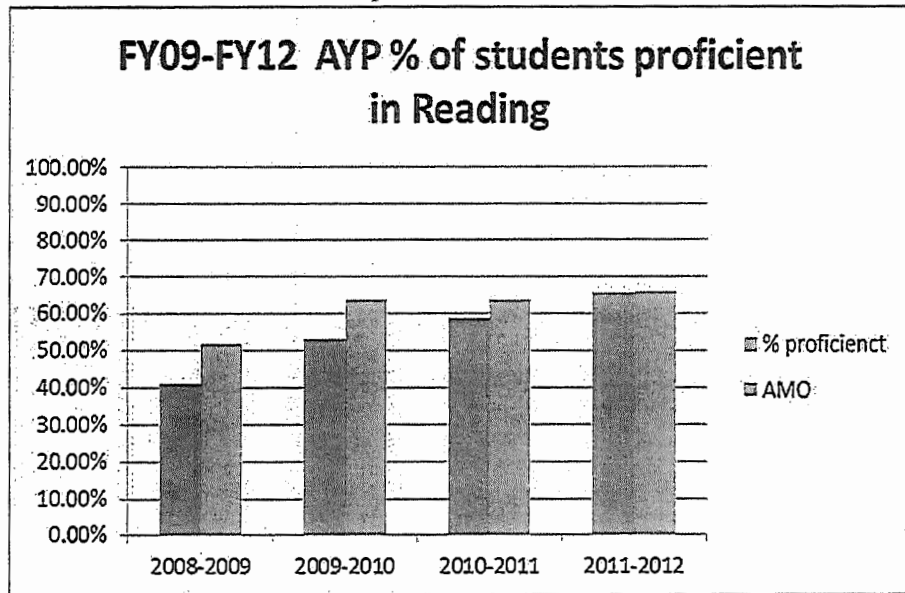
Source: NSPF website/SPCSA 11/12 profile

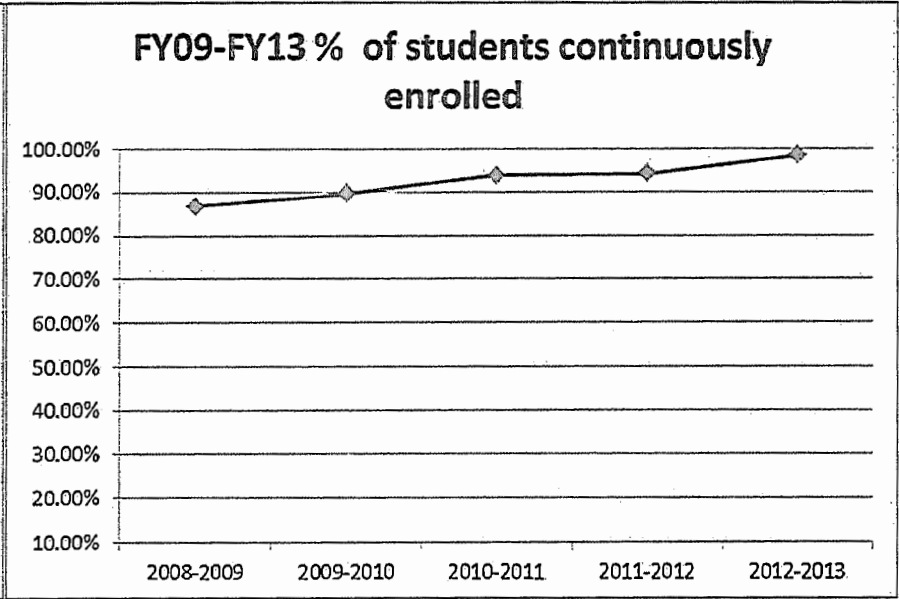
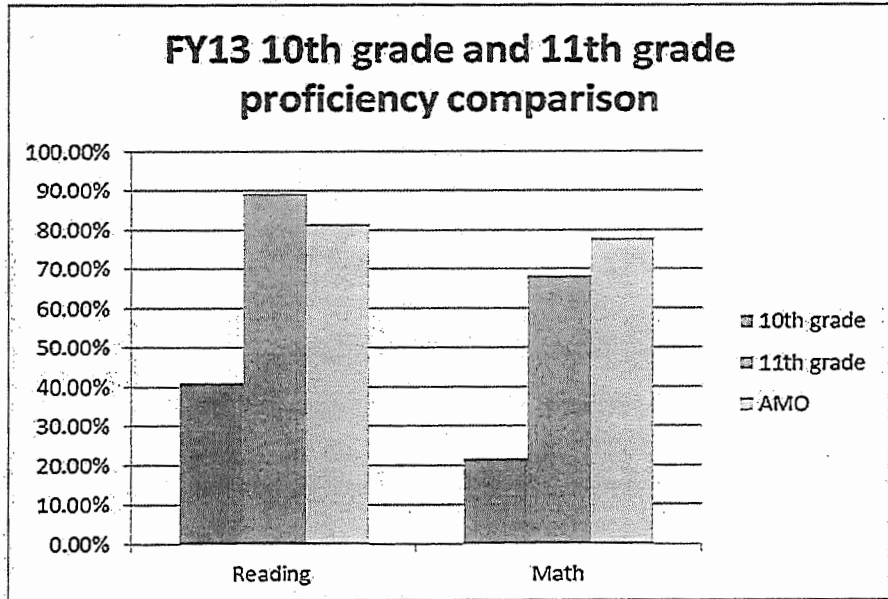
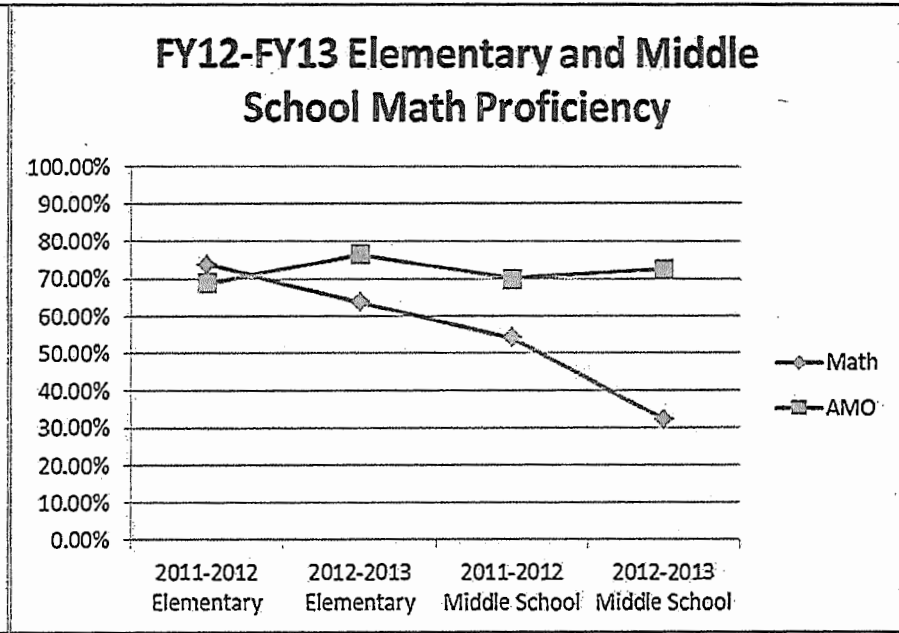
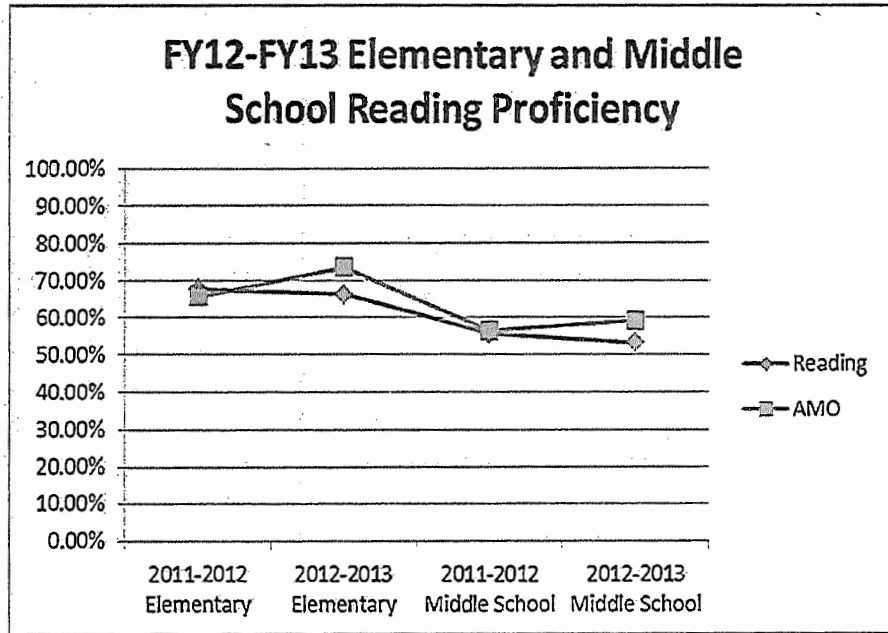
2012-2013	3 star	Approaches (29.79 pts)		
• Proficiency 10 th grade				
○ N=22		40.9 ELA	>5 th percentile <25 th percentile	Unsatisfactory
○ N=23		21.7 Math	>25 th percentile <50 th percentile	Approaches
• Proficiency 11 th grade				
○ N=19		89.5 ELA	>75 th percentile <95 th percentile	Exceeds
○ N=19		68.4 Math	>25 th percentile <50 th percentile	Approaches
• MGP				
○ N size too small for ELA				
○ N=10		29.5	>5 th percentile <25 th percentile	Unsatisfactory
• Proficiency Gap				
○ N size too small				

Graduation Rate

4-year cohort graduation rate

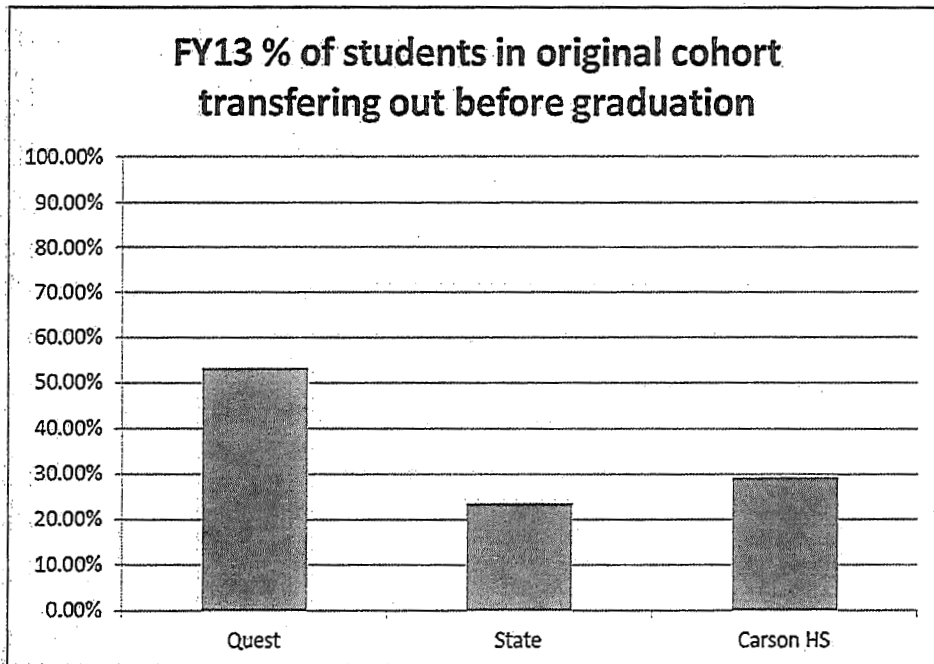
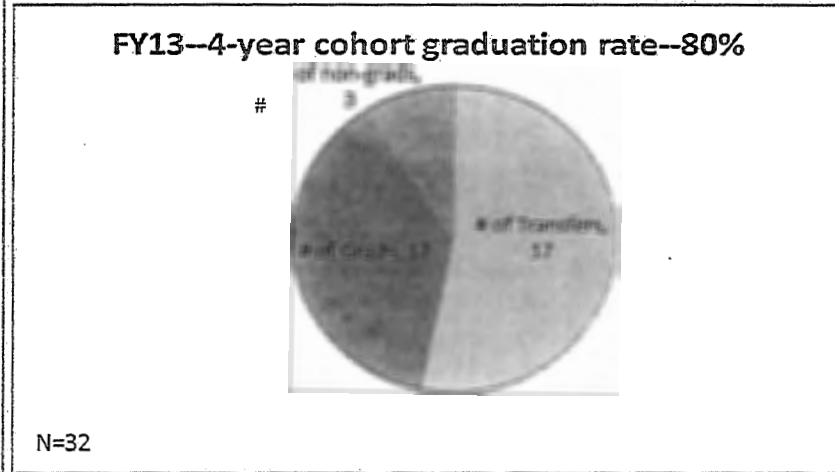
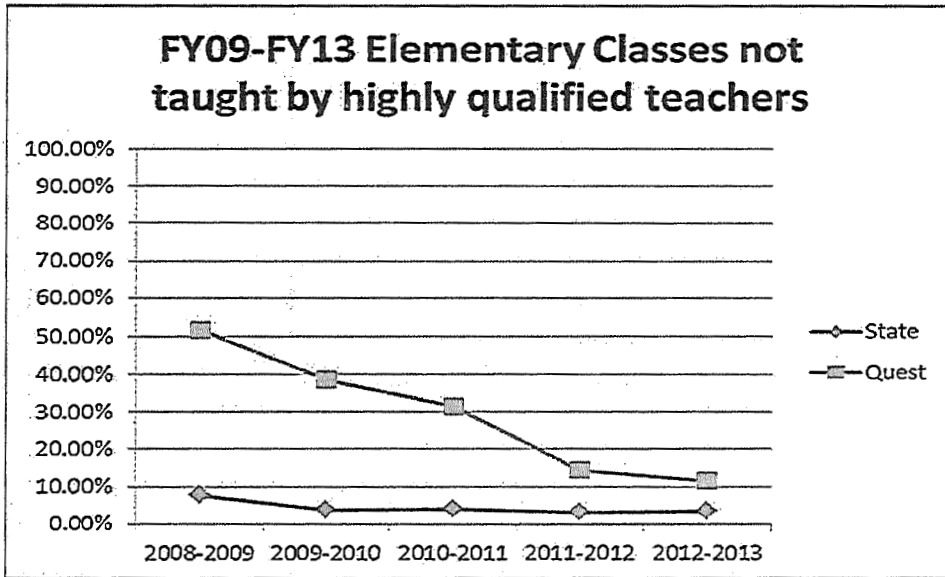
2012/2013 (Will be reported with the FY14 NSPF)	Tentative rating: Adequate		
• Original cohort#	32		
• ACGR N #	15		
• # of Grads	12		
• # of non-grads	3		
• # of Transfers	17		
• % Grade Rate	80.00%		
• *Attrition	53.13%	(*Attrition equals the number of students from the original cohort transferring out before graduation.)	





Source: FY09-FY13 Accountability Reports

Source: FY13 NDE Adjusted Cohort Graduation Rates



Quest Academy Preparatory Education
K-8 school with a student population of 600

		GROWTH				COMPARISON		STATUS				GAP				CAREER & COLLEGE READY					
		AGP Reading (EL, MS)	AGP Math (EL, MS)	MGP Reading (EL, MS, HS)	MGP Math (EL, MS, HS)	EXPLORE to PLAN Growth Reading (HS)	EXPLORE to PLAN GROWTH Math (HS)	Comparison--Reading (EL, MS, HS)	Comparison--Math (EL, MS, HS)	Reading Proficiency (EL, MS, HS)	Math Proficiency (EL, MS, HS)	EXPLORE Proficiency (MS, HS)	PLAN Proficiency (MS, HS)	GAP Reading AGP (EL, MS)	GAP Math AGP (EL, MS)	GAP Reading Proficiency (HS)	GAP Math Proficiency (HS)	Graduation Rate (HS)	Post Secondary Fall (HS)	Post Secondary 18 months (HS)	Employment (HS)
408.1	AP	U	U	AP		AP	AD	AD	AD				AD	U	X	X	X	Not Available			
408.2	AD	U	EX	U	Not Available	AP	AD	AD	U	Not Available			EE	U	X	X	X	Not Available			

Rating	Description	Percentage	408.1	408.2	AP	Overall School Rating	334
EX	Exceptional	≥95	408.1	46.19	AP	270	0.81 37.34 45.92
EG	Exceeds	≥75 and <95	408.2	44.79	AP	64	0.19 8.583 AP
AD	Adequate	≥50 and <75					
AP	Approaches	≥25 and <50					
U	Unsatisfactory	≥5 and <25					
C	Critical	<5					

Testing Population		
Grade Level	Percentage of students continuously enrolled	
408.1 & 408.2	Elementary	94.20%
State of NV	Elementary	94.55%

NSPF Rating	

Quest Academy Preparatory Education
K-12 school with a student population of 1001

<p>SPCSA Overall School Rating 29.70 AP Does Not Meet Standard</p>

	GROWTH						GAP				STATUS						CAREER & COLLEGE READY							
	MGP Reading (EL, MS, HS)	MGP Math (EL, MS, HS)	AGP Reading Comparison (EL, MS)	AGP Math Comparison (EL, MS)	AGP Reading (EL, MS)	AGP Math (EL, MS)	EXPLORE to PLAN Growth Reading (HS)	EXPLORE to PLAN Growth Math (HS)	GAP Reading AGP (EL, MS)	GAP Math AGP (EL, MS)	GAP Reading Proficiency (HS)	GAP Math Proficiency (HS)	Reading Proficiency (EL, MS, HS)	Math Proficiency (EL, MS, HS)	Proficiency Reading Comparison (HS)	Proficiency Math Comparison (HS)	EXPLORE Proficiency English (MS, HS)	EXPLORE Proficiency Math (MS, HS)	PLAN Proficiency English (HS)	PLAN Proficiency Math (HS)	Graduation Rate 4-Year (HS)	Graduation Rate 5-Year (HS)	Post-Secondary Readiness (HS)	
408.1	C	U	AP	U	AP	C	NA	NA	U	C	NA	NA	AD	AP	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
408.2	U	AP	U	C	AD	U	NA	NA	EX	U	NA	NA	AP	U	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
408.3	Too small	U	NA	NA	NA	NA	NA	NA	NA	NA	Too Small	Too Small	EC	AP	AP	AP	NA	NA	NA	NA	NA	NA	NA	NA

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

School Level Rating				Weighted		
N	Total Pts	Rating	N	Percentage	Total Pts	
408.1	385	29.56	672	0.57	16.94	
408.2	126	30.00		0.19	5.63	
408.3	161	29.79		0.24	7.14	

Continuous Enrollment			
Eligible	YIS	%	
408.1	306	290	94.77%
408.2	104	94	90.38%
408.3	54	43	79.63%

NSPF Rating	
408.1	Two-Star
408.2	Three-Star
408.3	Three-Star

STATE PUBLIC CHARTER SCHOOL AUTHORITY

SUPPORTING DOCUMENT

S U B J E C T: Charter School Regulation

Revisions

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

MEETING DATE: March 4, 2014

AGENDA ITEM: 10

NUMBER OF ENCLOSURE(S): 1

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

RECOMMENDATION: Consider proposed revisions to Charter School Regulations

FISCAL IMPACT:

BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):

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

BACKGROUND:

SUBMITTED BY: _____

Proposed New Regulatory Language for the Account for Charter Schools

Only a charter school that has begun receiving state DSA funding or has received a written assurance of DSA funding from the Department may receive a loan from the Account for Charter Schools. The Department shall not begin funding a new charter school and shall not provide a written assurance of funding to a new charter school until the Department has been notified by the school's sponsor that the school has fulfilled the pre-opening requirements incorporated into the school's charter contract for receipt of state DSA funding including, without limitation, pre-opening requirements to obtain sufficient enrollment for financial viability and pre-opening requirements to obtain a facility that has been inspected and approved for use by the school by applicable building, fire, health, safety and asbestos authorities.

Pursuant to NRS 386.577(1), the SPCSA shall reimburse a school whose loan application has been approved upon provision by the school to the SPCSA of receipts or other proof of payment only for items identified in the list of anticipated expenses submitted in the approved application pursuant to NAC 386.435(1)(e).

Current statutes for the Account for Charter Schools:

NRS 386.576 Creation; investment; credit of interest and income; deposit of money; payment of claims; acceptance of gifts and grants.

1. The Account for Charter Schools is hereby created in the State General Fund as a revolving loan account, to be administered by the State Public Charter School Authority.

2. The money in the Account must be invested as money in other state accounts is invested. All interest and income earned on the money in the Account must be credited to the Account. Any money remaining in the Account at the end of a fiscal year does not revert to the State General Fund, and the balance in the Account must be carried forward.

3. All payments of principal and interest on all the loans made to a charter school from the Account must be deposited with the State Treasurer for credit to the Account.

4. Claims against the Account must be paid as other claims against the State are paid.

5. The State Public Charter School Authority may accept gifts, grants, bequests and donations from any source for deposit in the Account.

(Added to NRS by 2001, 3124; A 2011, 446; 2013, 27th Special Session, 4)

NRS 386.577 Authorized uses of money in Account; limitation.

1. After deducting the costs directly related to administering the Account for Charter Schools, the State Public Charter School Authority may use the money in the Account for Charter Schools, including repayments of principal and interest on loans made from the Account, and interest and income earned on money in the Account, only to make loans at or below market rate to charter schools for the costs incurred:

- (a) In preparing a charter school to commence its first year of operation; and
- (b) To improve a charter school that has been in operation.

2. The total amount of a loan that may be made to a charter school pursuant to subsection 1 must not exceed the lesser of an amount equal to \$500 per pupil enrolled or to be enrolled at the charter school or \$200,000.

(Added to NRS by 2001, 3124; A 2013, 27th Special Session, 5)

NRS 386.578 Application for loan; requirements of contract for loan; regulations. [Effective through December 31, 2019.]

1. If the governing body of a charter school has a written charter issued or a charter contract executed pursuant to NRS 386.527, the governing body may submit an application to the State Public Charter School Authority for a loan from the Account for Charter Schools. An application must include a written description of the manner in which the loan will be used to prepare the charter school for its first year of operation or to improve a charter school that has been in operation.

2. The State Public Charter School Authority shall, within the limits of money available for use in the Account, make loans to charter schools whose applications have been approved. If the State Public Charter School Authority makes a loan from the Account, the State Public Charter School Authority shall ensure that the contract for the loan includes all terms and conditions for repayment of the loan.

3. The State Board:

(a) Shall adopt regulations that prescribe the:

(1) Annual deadline for submission of an application to the State Public Charter School Authority by a charter school that desires to receive a loan from the Account; and

(2) Period for repayment and the rate of interest for loans made from the Account.

(b) May adopt such other regulations as it deems necessary to carry out the provisions of this section and NRS 386.576 and 386.577.

(Added to NRS by 2001, 3124; A 2013, 2929; 2013, 27th Special Session, 5)

~~**NRS 386.578 Application for loan; requirements of contract for loan; regulations. [Effective January 1, 2020.]**~~

~~1. If the governing body of a charter school has a charter contract executed pursuant to NRS 386.527, the governing body may submit an application to the State Public Charter School Authority for a loan from the Account for Charter Schools. An application must include a written description of the manner in which the loan will be used to prepare the charter school for its first year of operation or to improve a charter school that has been in operation.~~

~~2. The State Public Charter School Authority shall, within the limits of money available for use in the Account, make loans to charter schools whose applications have been approved. If the State Public Charter School Authority makes a loan from the Account, the State Public Charter School Authority shall ensure that the contract for the loan includes all terms and conditions for repayment of the loan.~~

~~3. The State Board:~~

~~(a) Shall adopt regulations that prescribe the:~~

~~(1) Annual deadline for submission of an application to the State Public Charter School Authority by a charter school that desires to receive a loan from the Account; and~~

~~(2) Period for repayment and the rate of interest for loans made from the Account.~~

~~(b) May adopt such other regulations as it deems necessary to carry out the provisions of this section and NRS 386.576 and 386.577.~~

~~(Added to NRS by 2001, 3124; A 2013, 2929, effective January 1, 2020; 2013, 27th Special Session, 5)~~

NAC 386.435 Application for loan from Account; annual determination of balance of money in Account. (NRS 385.080, 386.578)

1. An application for a loan from the Account must be submitted by the governing body of a charter school to the ~~Department~~ **State Public Charter School Authority between January 1 and March 15** ~~on or before September 30~~ of the calendar year immediately preceding the calendar year in which the loan will be made. The ~~Department~~ **State Public Charter School Authority** shall not accept an application for a loan from the Account unless the ~~Department~~ **State Public Charter School Authority** has determined pursuant to subsection 2 that the balance of money in the Account is \$5,000 or more. An application must include:

- (a) The name of the charter school.
- (b) The name, address and telephone number of the person whom the ~~Department~~ **State Public Charter School Authority** may contact regarding the application.
- (c) The proposal of the charter school to repay the loan, consistent with NAC 386.445.
- (d) A description of:
 - (1) The financial needs of the charter school;
 - (2) The business plan for the charter school;
 - (3) The effect that receipt of the loan will have on the operation of the charter school;
 - (4) The effect, if any, that receipt of the loan will have on the ability of the governing body or the charter school to obtain other financial assistance from public and private sources; and
 - (5) The plan, ~~if any,~~ for the use of the money obtained from the loan, ~~including, without limitation, methods to enhance the credit of the charter school.~~
- (e) A list of the anticipated expenses for which the money obtained from the loan will be used.
- (f) A budget for the charter school for the fiscal year in which the loan is received and for each fiscal year of the proposed period for repayment of the loan. The budget must:
 - (1) Include an identification of all sources of revenue and expenses;
 - (2) Include the cost for repayment of the loan; and
 - (3) Be accompanied by a written narrative explaining each of the assumptions made in developing the budget.
- (g) If the charter school is an operational charter school, a statement of the financial history of the applicant.
- (h) If a member of the governing body has or had an association or affiliation with another charter school in this State or another state, a statement of the financial history of the charter school with which the member has or had such an association or affiliation. The provisions of this paragraph apply regardless of whether the member has terminated the association or affiliation.
- (i) **For an operating charter school**, three credit references for the applicant.
- (j) A statement of the monthly cash flow for the operation of the charter school, including, without limitation, an identification of the amount and timing of receipt of revenue relating to the amount and timing of expenditures.
- (k) A resolution of the governing body authorizing submission of the application.
- (l) **Executed pledges of personal liability to repay the loan in the event the charter school defaults on the loan from each member of the governing body.**
- (m) **A letter of endorsement from the sponsor of the charter school.**

2. On or before July 1 of each year, the ~~Department~~ **State Public Charter School Authority** shall determine the balance of money in the Account. If the ~~Department~~ **State Public Charter School Authority** determines that the balance of money in the Account is \$5,000 or more, the ~~Department~~ **State Public Charter School Authority** shall provide notice of that fact and the availability of loans from the Account to each charter school that has been issued a written charter *or charter contract, as applicable*, pursuant to NRS 386.527.

(Added to NAC by Bd. of Education by R206-01, eff. 4-1-2002)

NAC 386.440 Priority for loans; considerations for approval of loans. (NRS 385.080, 386.578)

1. To the extent that money is available in the Account, the ~~Department~~ **State Public Charter School Authority** shall grant priority for loans from the Account to those charter schools with approved applications that will use the money obtained from the loan in preparing to commence the first year of operation.

2. If the amount of approved loan funds exceeds the amount of funds in the Account, approved loan funds shall be reduced on a pro-rata basis.

2.3. In determining whether to approve an application, the ~~Department~~ **State Public Charter School Authority** shall consider the:

- (a) Reliability of the business plan submitted with the application;
- (b) Ability of the charter school to obtain financial assistance from other sources;
- (c) Information submitted in the application; and
- (d) Effect of approval of the application on the equitable geographic distribution throughout this State of loans from the Account.

(Added to NAC by Bd. of Education by R206-01, eff. 4-1-2002)

NAC 386.445 Repayment of loans. (NRS 385.080, 386.540, 386.578)

1. The rate of interest for loans made from the Account is the prime rate at the largest bank in Nevada, as ascertained by the Commissioner of Financial Institutions, on January 1 or July 1, as the case may be, immediately preceding the date of the transaction.

2. If a loan is made to a charter school from the Account, the Department shall deduct from the apportionments made to the charter school pursuant to NRS 387.124, an amount of money equal to the annual repayment amount of the loan, including interest. The deductions must be made:

(a) In quarterly amounts corresponding with the quarterly apportionment to the charter school.

(b) In equal amounts during the period of repayment agreed upon by the governing body of the charter school and the ~~Department~~ **State Public Charter School Authority**, not to exceed 3 years.

3. If a loan is made to an operational charter school, the deductions must be made commencing in the same fiscal year in which the loan is made. If a loan is made to a *non-operational* charter school that has a written charter *or a charter contract* issued pursuant to ~~subsection 7 of~~ NRS 386.527, the deductions must be made commencing with the first fiscal year immediately succeeding the fiscal year in which the charter school becomes an operational charter school.

4. If a charter school that receives a loan:

- (a) Defaults on repayment of the ~~full amount~~ **outstanding balance** of the loan;

~~(b) Was issued a written charter pursuant to subsection 7 of NRS 386.527 and the charter school fails to obtain a written charter issued pursuant to subsection 5 of NRS 386.527;~~

(b) Was issued a charter contract and the charter school fails to fulfill its pre-opening requirements for commencement of operation

(ec) Closes or otherwise ceases operation,

↳ the charter school shall be solely *primarily* liable ***and the governing body shall be secondarily liable*** for repayment of the full amount of the loan.

5. As used in this section, "fiscal year" means the 12-month period beginning on the first day of July and ending on the last day of June.

(Added to NAC by Bd. of Education by R206-01, eff. 4-1-2002; A by Dep't of Education by R044-05, 10-31-2005)

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MEMORANDUM

TO: Steve Canavero, Ph.D.
NEVADA DEPARTMENT OF EDUCATION
Director, Office of Charter Schools
1749 Stewart Street, Suite 40
Carson City, NV 89706

FROM: Laura K. Granier, Esq.

DATE: January 10, 2014

SUBJECT: Nevada Connections Academy

Via Hand Delivery

Thank you for the opportunity to comment on the draft Charter School Regulation revisions (the "Regulation Revisions") being considered for presentation to the Nevada State Board of Education. The stakeholder meetings have been an excellent opportunity for dialogue on important issues affecting charter schools in Nevada. We respectfully request you consider the suggestions provided below with respect to the December 19, 2013 draft of the proposed Regulation Revisions.

- P.21 – NAC 386.215(d) we propose adding the following language with respect to requiring coverage for special education due process complaints, hearings or litigation – "provided such coverage is necessary to ensure the financial stability of the school, reasonably available and economically feasible to obtain, and the potential exposure for such special education due process complaints, hearings or litigation is not otherwise reasonably addressed by other means documented by the school."

This ensures the regulation does not impose any undue burden on the school in the event such insurance coverage is (i) unavailable; (ii) extremely expensive; or (iii) unnecessary because of other financial resources (or in the case of a school with a contracting EMO, because of coverage it offers).

- P.26 – NAC 386.325 – this latest version on amendments to the charter includes any increase or decrease in total enrollment of 10%. This imposes a new "cap." What is

LIONEL SAWYER & COLLINS
ATTORNEYS AT LAW

January 10, 2014
Page 2

the statutory authority and, if the school is in good standing, what is the policy for such a requirement and administrative burden?

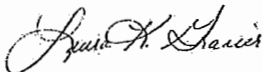
- a. Same page and provisions – add “new” before EMO to avoid amendment of the charter required for renewal of an existing contract.
 - b. Page 27 – same section – last provision allows the sponsor to base denial of a material amendment on the charter school’s “standing” in regard to the school’s performance framework. While we understand the policy issue, we would like clarification regarding “standing” and statutory authority and limitations.
- Page 28-29 – on the new/additional facility, the 120 day period causes concerns with respect to the school’s ability to negotiate with a landlord. In addition to “emergency” safe harbor could we include “or compelling circumstances.” Alternatively, given the concern raised is the expansion of schools that have performance issues, would you eliminate the approval requirement for schools meeting performance requirements and require approval only for those that are not?
 - Page 38 – NAC 386.355 –count day has posed a particular challenge to virtual and blended learning schools. We offer two proposals for your consideration:

Given that all public charter schools are governed by the SPCSA--which functions as the "district," the decision as to when a specific school's count day must be held should be left to the discretion of the SPCSA and include factors such as geographic location, school calendar, and type of instructional program (ie--traditional, blended, virtual). A charter school's geographic and physical location do not supersede its inclusion in the SPCSA district.

Or

The count day for a charter school is the same as the count day for the school district in which the charter school is located and is the last day of the first school month of that school district except for those schools whose sponsor is the SPCSA. The SPCSA should approve school calendars including count day for all sponsored charter schools and consider facts such as locations served, type of instructional program.

Again, we appreciate the opportunity to work with you on these important issues. Should you have any questions, or require any additional information, please do not hesitate to contact me at (775) 788-8602 or lgranier@lionelsawyer.com.



Laura K. Granier, Esq.

Proposed Revisions to NAC 386.215, Insurance and Special Education

The following is the language that was included in the 61 page document submitted to the State Board by the Authority Board. This is the language that Ms. Granier's memo responded to.

NAC 386.215 Provision and maintenance of insurance coverage. (NRS 385.080, 386.540)

1. Except as otherwise provided in subsection 4 of NAC 386.140, a committee to form a charter school shall obtain insurance from an authorized insurer as follows:

(a) Industrial insurance coverage in accordance with the applicable provisions of the Nevada Industrial Insurance Act, chapters 616A to 616D, inclusive, of NRS.

(b) Except as otherwise provided in subsection 2, general liability insurance with a minimum coverage of \$1,000,000. The general liability insurance policy must include coverage for molestation and sexual abuse, and have a broad form policy, with the named *additional* insureds as follows:

(1) The sponsor of the charter school;

(2) All employees of the charter school, including, without limitation, former, present and future employees;

(3) Volunteers at the charter school; and

(4) Directors of the charter school, including, without limitation, executive directors.

(c) Umbrella liability insurance with a minimum coverage of \$3,000,000.

(d) Educators' legal liability insurance with a minimum coverage of \$1,000,000 *to include coverage for special education due process complaints, hearings or litigation.*

(e) Employment practices liability insurance with a minimum coverage of \$1,000,000.

(f) Employment benefits liability insurance with a minimum coverage of \$1,000,000.

(g) Insurance covering errors and omissions of the sponsor and governing body of the charter school with a minimum coverage of \$1,000,000.

(h) If applicable, motor vehicle liability insurance with a minimum coverage of \$1,000,000.

(i) If applicable, liability insurance for sports and athletic participation with a minimum coverage of \$1,000,000.

↪ The cost of insurance required by this subsection must be provided to the proposed sponsor by the authorized insurer and included in each budget submitted pursuant to subsection 4 of NAC 386.180 and NAC 387.725.

2. The sponsor of a charter school may waive all or part of the general liability insurance required pursuant to paragraph (b) of subsection 1 if the sponsor determines that such a waiver is reasonable based upon the risk profile of the charter school or the conditions of the insurance market, or both, including, without limitation, a determination that the cost of obtaining the insurance is excessive or that the insurance is not available because of special circumstances of the charter school.

3. If an application to form a charter school is approved, the governing body of the charter school shall maintain the insurance required by this section.

4. As used in this section, "motor vehicle" has the meaning ascribed to it in NRS 485.050.

(Added to NAC by Dep't of Education by R044-05, eff. 10-31-2005; A by R074-07, 10-31-2007; A by Bd. of Education by R026-09, 10-27-2009)

5. *Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Nevada and with an "A.M. Best" rating of not less than A-VII.*

The plain text below is the existing regulation; the yellow highlight is our proposed addition; the red highlight is Ms. Granier's proposed addition.

NAC 386.215(1)(d): "...a charter school shall obtain insurance from an authorized insurer as follows: Educators' legal liability insurance with a minimum coverage of \$1,000,000 to include coverage for special education due process complaints, hearings or litigation provided such coverage is necessary to ensure the financial stability of the school, reasonably available and economically feasible to obtain, and the potential exposure for such special education due process complaints, hearings or litigation is not otherwise reasonably addressed by other means documented by the school."

The following is language from the Authority's Charter Contract.

The Charter School shall maintain a special education reserve as a financial reserve or demonstrate, to the Authority's satisfaction, that the Charter School carries an insurance policy with sufficient coverage to ensure compliance with the indemnification and financial obligations of the Charter School. Such reserve or insurance product shall not in any way limit the Charter School's obligation in the event the special education reserve or insurance product is insufficient to fully pay costs incurred in connection with any claim or claims, and the Charter School shall remain fully responsible for any and all costs incurred in connection with such claim or claims. The Charter School shall keep any special education reserve separate from and not utilize it to satisfy any other requirements applicable to the Charter School. Any special education reserve shall be maintained in a separate bank account and shall be equal to \$25,000 plus the interest that has been earned in this account to date. The Charter School shall fully fund any reserve account by the end of its fifth year of operation and contribute to it in a manner that can reasonably be expected to reach this goal. If money is withdrawn from the reserve account, unless otherwise agreed to in writing by the Authority, the Charter School shall be required to replace all sums withdrawn by the end of the subsequent fiscal year.

Recommendation:

Leave NAC 386.215(1)(d) as it is, with neither the yellow highlighted nor the red highlighted language included.

Add the language from the charter contract as subsection 6 of NAC 386.215.

NAC 386.325 Amendment of written charter or charter contract, as applicable: Request; authority for approval by staff of sponsor. (NRS 386.520, 386.540) Except as otherwise provided in NAC 386.326 and 386.3265, if the governing body of a charter school requests an amendment to its written charter *or charter contract, as applicable*, pursuant to NRS 386.527, the sponsor of the charter school may authorize its staff to approve the amendment to the charter as the sponsor deems appropriate.

(Added to NAC by Dep't of Education by R171-05, eff. 2-23-2006; A by R071-10, 10-15-2010)

New Regulation: *Changes to the written charter or charter contract, as applicable, including changes to charter contract exhibits, that require sponsor approval shall be deemed material amendments. All other changes to the written charter or charter contract, as applicable, require the charter school to notify the sponsor of the change. Material amendments include, but are not limited to:*

- *Pre Opening Requirements;*
- *Location;*
- *Mission statement;*
- *Elimination of a grade level served or expansion to serve a grade level not served;*
- *10% annual increase or decrease in total enrollment. The first year enrollment for the school shall serve as the basis for the 10% annual enrollment decrease/increase for the school's second year; similarly, subsequent years' enrollment shall serve as the basis for the following year's enrollment. Each year's enrollment shall be limited to 10% more pupils than the previous year's enrollment unless the school's request for a material amendment is approved by the Authority. For example, a school enrolling 100 pupils any given year may enroll no more than 110 pupils the following year without Authority approval of the material amendment required by this section 2.3.3. It is the responsibility of the school to request amendment pursuant to this section 2.3.3 in a timely manner so as to manage the school's enrollment to comply with this contract stipulation.*
- *Name of the school;*
- *Entering into a contract with an educational management organization or terminating a contract with an educational management organization;*
- *Mission specific indicators; and*
- *Pupil transportation plans.*

Changes not requiring sponsor approval but requiring the charter school to notify the sponsor include, but are not limited to:

- *Mailing address, phone and fax number of the charter school;*
- *Lead administrator of the charter school;*
- *Composition of the governing body;*
- *Bylaws;*
- *Articles of incorporation, if applicable; and*
- *Educational program that the sponsor determines do not depart from the school's mission.*

Proposed changes not identified above as material amendments or changes requiring only sponsor notification shall be submitted to the sponsor for sponsor determination whether the proposed change would constitute a material amendment.

To request from a charter school's sponsor a material amendment of the written charter or charter contract, as applicable, the school's governing body shall, in a meeting that complies with the provisions of chapter 241 of NRS, take action to direct the school's administrator to request of the sponsor the material amendment.

A charter school sponsor may base denial of a material amendment on the charter school's standing in regard to the school's performance framework.

NAC 386.3265 Amendment of written charter: Request to occupy new or additional facility. (NRS 386.527, 386.540)

- 1. If the governing body of a charter school wishes to amend its written charter or charter contract, as applicable, pursuant to NRS 386.527 to acquire a new or additional facility, the governing body of the charter school must submit to the sponsor of the charter school a written notice of its intent to acquire a new or additional facility no fewer than 120 days before submitting the written request for amendment required by subsection 2, below, unless an emergency requires the notice to be submitted fewer than 120 days before submitting the written request. The written notice must identify the current enrollment of the school, and must indicate whether or not the acquisition of the new or additional facility would result in or enable an increase in the school's enrollment.*

The sponsor shall notify the charter school, in writing, within 15 days of receipt of the written notice, whether or not the charter school has permission to proceed with the acquisition of the new or additional facility based upon the charter school's performance as measured by the sponsor's performance framework. Such permission to proceed shall not be construed as approval by the sponsor of an amendment to acquire the new or additional facility. A school shall not proceed with the acquisition of a new or additional facility if the notice of intent is not approved by the school's sponsor.

- 4. 2. If the governing body of a charter school wishes to amend its written charter or charter contract, as applicable, pursuant to NRS 386.527 to occupy a new or additional facility, the governing body of the charter school must submit to the sponsor of the charter school a written request for such an amendment to the written charter or charter contract, as applicable, not later than 15 days before the date on which the charter school proposes to occupy the facility.*

- 2. The written request must include, without limitation:*

- (a) The address of the facility.*

- (b) The type of facility.*

- (c) A floor plan of the facility, including a notation of the size of the facility which is set forth in square feet.*

- (d) The name and address of the owner of the facility.
- (e) If the facility will be leased or rented, a copy of the proposed lease or rental agreement.
- (f) A copy of the certificate of occupancy for the facility.
- (g) Documents which indicate that the facility has been inspected and meets the requirements of any applicable building codes, codes for the prevention of fire, and codes pertaining to safety, health and sanitation.
- (h) Evidence which demonstrates that the governing body of the charter school has communicated with the Division of Industrial Relations of the Department of Business and Industry regarding compliance with the federal Occupational Safety and Health Act of 1970, as amended.
- (i) Documentation which demonstrates that the governing body of the charter school has obtained the insurance required by NAC 386.215 for the proposed facility.

3. The sponsor of the charter school shall:

(a) Perform a physical inspection of the proposed facility or assign a designee to perform the inspection.

(b) Review the written request submitted pursuant to subsection 1 to determine if the written request:

(1) Complies with NRS 386.500 to 386.610, inclusive, and the regulations applicable to charter schools; and

(2) Is complete in accordance with the regulations of the Department.

4. Within 10 *working* days after receipt of the written request submitted pursuant to subsection 1, the sponsor of the charter school shall provide written notice to the governing body of the charter school of its findings pursuant to subsection 3, including any items that are incomplete or noncompliant. Written notice informing the governing body of a charter school that the written request is incomplete or noncompliant shall be deemed denial of the written request.

5. If the sponsor of the charter school finds pursuant to subsection 3 that the written request is compliant and complete, *and the school is performing well as defined by the performance framework*, the sponsor may approve the request.

6. The governing body of a charter school shall not occupy the proposed facility until the governing body has received written notice of approval of the written request from the sponsor of the charter school.

(Added to NAC by Dep't of Education by R071-10, eff. 10-15-2010)

NAC 386.323 Request for change in sponsorship of charter school. (NRS 385.080, 386.527)

1. Except as otherwise provided in subsection 2, the governing body of a charter school may request a change in the sponsorship of the charter school pursuant to NRS 386.527.

2. A request for a change in sponsorship may not be made if:

(a) The proposed sponsor is a school district other than the school district in which the charter school is located.

(b) The proposed sponsor is the State Board **Public Charter School Authority** and the charter school will use facilities in more than one county.

3. A written request for a change in sponsorship must be submitted to the proposed sponsor and must include:

(a) A copy of the most recently approved application to form a charter school; and

(b) A copy of the written agreement **or charter contract, as applicable**, with the current sponsor.

4. A request for a change in sponsorship must be considered by the proposed sponsor at a public meeting not later than 60 days after receipt of the request.

5. A proposed sponsor may approve a request for a change in sponsorship if:

(a) The school is in sound financial condition as determined by the most recent annual audit required by NAC 387.775;

(b) The school is **ranked on the Nevada School Performance Framework as a three, four or five star school** ~~on the list of schools that are designated as demonstrating exemplary achievement, demonstrating high achievement or demonstrating adequate achievement, which is maintained by the Department,~~ on the date on which the request is submitted through the period when the request is considered by the proposed sponsor at a public meeting;

(c) ~~The school's most recent report of compliance required by NAC 386.410 does not indicate a noncompliant item;~~ and

(d) The school agrees to sign a new ~~written agreement~~ **charter contract** with the new sponsor. The ~~written agreement~~ **charter contract** may differ from the written agreement **or charter contract, as applicable**, which the charter school signed with the current sponsor.

6. At the time a request for a change in sponsorship is submitted to the proposed sponsor, the governing body of a charter school shall submit a copy of the request to the current sponsor of the charter school.

(Added to NAC by Bd. of Education by R188-05, eff. 2-23-2006; A by R135-07, 4-17-2008; R026-09, 10-27-2009)

Recommendation: NAC 386.323(5)(b): Replace **ranked on the Nevada School Performance Framework as a three, four or five star school** with **in good standing as determined by the new proposed sponsor regarding its performance framework**

STATE PUBLIC CHARTER SCHOOL AUTHORITY

SUPPORTING DOCUMENT

S U B J E C T: NIAA Issue follow-up

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

MEETING DATE: March 4, 2014

AGENDA ITEM: 11

NUMBER OF ENCLOSURE(S): 1

PRESENTER(S): Michael Van, Board Member, SPCSA; Shane Chesney, Senior Deputy Attorney General

RECOMMENDATION:

FISCAL IMPACT:

BUDGET ACCOUNT (FOR PRINTING CHARGES ONLY):

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

BACKGROUND:

SUBMITTED BY: _____