

# Charter School Performance Framework

The Nevada State Public Charter School Authority (Authority) authorizes, facilitates and oversees SPCSA authorized Nevada public charter schools. The Authority has the responsibility to authorize high-quality charter schools throughout the state, ensure sponsored schools are open to all and prepare all of its students for college and career success and model best practices in charter school sponsorship ([NRS 388A.150](#)).

In these role, and pursuant to [NRS 388A.273](#), the SPCSA is required to develop a framework that measures the Academic, Organizational and Financial performance of schools. This document describes the Charter School Performance Framework, the accountability mechanism for all charter schools sponsored by the Authority.

## **Objective and Purpose of a Performance Framework:**

To provide charter school boards and leaders with clear expectations, fact-based oversight, and timely feedback while protecting charter school's autonomy for local decision-making within the constraints of state and federal laws.

This document provides:

- A conceptual overview of the Charter School Performance Framework (the body of the document);
- The specifics regarding Performance Framework implementation, and the academic, financial, and organizational performance standards; and
- Details regarding responses, including interventions, for schools that do not meet performance standards and incentives for schools that consistently exceed performance standards.

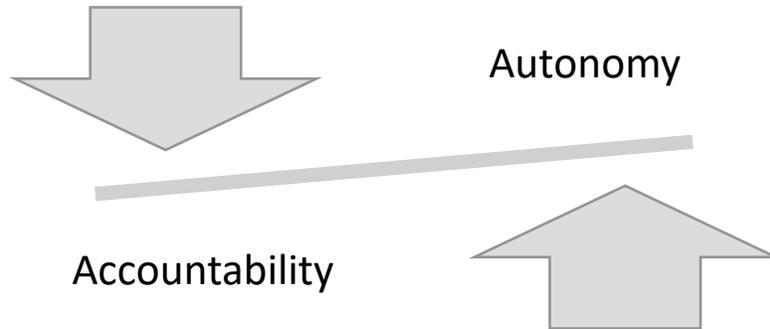
To hold public charter schools to high expectations and deliver upon the agency's responsibilities, the Authority has these obligations:

- Clearly communicate rigorous standards and expectations to schools;
- Conduct a transparent, consistent, and predictable oversight process;
- Ensure that oversight is reflective of school performance and compliance;
- Emphasize high-quality student outcomes and compliance;
- Provide fact-based, timely feedback to schools and communities indicating where schools stand relative to performance framework standards and expectations;
- Provide comprehensive information to guide high-stakes decisions.

The Authority acknowledges that local, school-level decision making can enable schools to develop and apply the policies and educational strategies that maximize their effectiveness.

The Charter School Performance Framework balances the importance of local decision making or autonomy with the critical role of accountability. In doing so, high standards are maintained—not by dictating inputs or controlling processes—but by setting expectations, providing schools with appropriate levels of autonomy and then by holding schools accountable for results.

The Performance Framework describes methods that seek the optimal balance between oversight and autonomy. The Performance Framework is a dynamic process subject to continuous review and improvement.



## Section 2: Performance Framework Components

The Performance Framework provides for the evaluation of schools based on their ability to operate as sound, independent entities that successfully serve all students.

### Academic, Financial and Organizational Components

- **Academic** – The SPCSA Academic framework is based on the Nevada School Performance Framework (NSPF), which is released annually by the Nevada Department of Education. The SPCSA framework also reviews diversity and geographical comparisons when rating schools.
- **Financial** – The near-term fiscal health of schools is assessed through four measures: 1) Current Ratio; 2) Unrestricted Days Cash on Hand; 3) Enrollment Forecast Accuracy; and 4) Debt Default. The longer-term, fiscal sustainability of schools is assessed through four different measures: 1) Total Margin; 2) Debt to Asset Ratio; 3) Cash Flow; and 4) Debt Service Coverage Ratio. Schools are evaluated against these measures annually.
- **Organizational** – These indicators define the operational and compliance standards to which all charter schools are held accountable in terms of meeting minimum legal and ethical requirements. They include a review of five key categories: 1) Education Program, 2) Financial Management and Oversight, 3) Governance and Reporting, 4) Students and Employees, and 5) School Environment.

### Annual Review

Once all data for a school year is finalized, the Authority will publish reports for each school that describe the Academic, Financial and Organizational performance of the school for the most recent school year. Due to the timeline for annual financial audits, complete performance reports will be released approximately six months after the end of the school year. More information on this can be found in Section 3 of this document.

### Section 3: Performance Framework Process Description & Timeline

Throughout the year, the Authority collects information and data from a variety of sources as described below.

#### Data Sources

Document Submissions: Routine, year-round submissions are described and called for in the Reporting Requirements Manual. Certain submission items (as indicated in the Reporting Requirements Manual) will be reviewed in order to evaluate the performance of the school on the performance framework. One of the most important submissions is the annual financial audit for all charter holders. This is the primary data source for the financial performance framework.

Nevada Department of Education Data: This includes, but is not limited to, information reported within the Nevada School Performance Framework (NSPF) as well as demographic data published by the Nevada Department of Education.

Site Evaluations: Site evaluations afford a sponsor with an opportunity to examine qualitative and quantitative aspects of the school not directly measured in ways other than observation or personal interaction. They are not an exclusive part of the academic, financial or organizational performance frameworks and findings from site evaluations may be used in one or more of those performance framework ratings. More information regarding site evaluations can be found in the Site Evaluation Handbook located on the SPCSA website.

Below is a summary of how data is gathered and used throughout the year.

	Performance Framework		
	Academic	Financial	Organizational
Ongoing Oversight	<ul style="list-style-type: none"> <li>- Monitor and communicate with schools</li> <li>- Monitor data reported by schools to NDE</li> </ul>	<ul style="list-style-type: none"> <li>- Monitor and communicate with schools</li> <li>- Monitor document and data submissions from schools to SPCSA and NDE</li> </ul>	<ul style="list-style-type: none"> <li>- Monitor and communicate with schools</li> <li>- Monitor document and data submissions from schools to SPCSA and NDE</li> </ul>
Annual Review <i>(A complete review report will be provided once all data from each of the three frameworks has been compiled)</i>	<b>Fall</b> of the following academic year, or when NSPF results are finalized	<b>Winter</b> of the following academic year, or shortly after receipt of the annual financial audit	<b>Fall</b> of the following academic year, or when all school submissions have been reviewed
High Stakes Decisions	Dependent on charter term, length, intervention, and nature of any submitted amendments.		

Ongoing oversight or results of an annual review may trigger intervention. See Section 5 for details on intervention.

#### Section 4: Interventions and Incentives

Occasionally, the routine Performance Framework process will result in adverse findings. Charter schools may fall out of compliance on important legal or contractual requirements. Academic standards may not be met. Financial sustainability may become an issue. When these situations occur, the Authority may respond in a number of ways.

Below is a chart that outlines **possible** circumstances that could cause a school to enter the intervention ladder:

<u>Notification</u>	<u>Possible Circumstances</u>	<u>Possible Outcomes/Consequences</u>
Notice of Concern	<ul style="list-style-type: none"> <li>Evidence of weak financial, academic or organizational performance through ongoing oversight or at the time of annual review</li> <li>Repeated or material failure to submit Reporting Requirement Manual items in a timely and/or complete manner</li> </ul>	<ul style="list-style-type: none"> <li>Written notification to charter school governing body detailing area(s) of concern, expected actions on the part of the school, and time to remedy as applicable</li> </ul>
Notice of Breach	<ul style="list-style-type: none"> <li>Continued evidence and/or significant evidence of material weak financial, academic or organizational performance through ongoing oversight or at the time of annual review</li> <li>Failure to make substantial progress towards remedying previously-identified concern</li> <li>Failure to comply with applicable laws, regulations and/or the terms of the charter contract</li> </ul>	<ul style="list-style-type: none"> <li>Written notification to charter school governing body detailing area(s) of deficiency</li> <li>May require corrective action plan, a site visit and/or site evaluation</li> </ul>
Notice of Intent to Revoke	<ul style="list-style-type: none"> <li>Serious violations of laws, regulations and/or the charter contract through ongoing oversight or at the time of annual review; or</li> <li>Patterns of failure to comply with performance standards</li> </ul>	<ul style="list-style-type: none"> <li>Written notification to charter school governing body regarding termination and school closure</li> </ul>

While the vast majority of performance concerns will first be addressed by a Notice of Concern, this may not always be the case. For example, if a school is found to be egregiously out of compliance, or becomes financially insolvent, schools may receive a Notice of Breach, bypassing a Notice of Concern.

Most Notices and Interventions will be recommended to the Authority for issuance. Certain circumstances, particularly those that are time-sensitive and/or egregious, may warrant the issuance of a Notice of Concern by staff.

Should the SPCSA or Authority staff issue a Notice, correcting unsatisfactory performance is ultimately the school's responsibility. This is inherent to the charter school bargain as sponsored schools are afforded a high-degree of local decision-making control in exchange for strong accountability. SPCSA notices may require additional communication and monitoring, more frequent check-ins, additional reporting, and/or that the school develop a corrective action plan. This list is not comprehensive but reiterates that the authorizer sets performance expectations and sponsored schools are responsible for meeting those expectations.

In unfortunate cases, data gathered from the Performance Framework process can be used to directly initiate charter school revocation/termination proceedings. The Authority recognizes the severity of this process and will use this right only in the case of persistent performance shortcomings or a grave incident that threatens the health, safety, or welfare of children.

Unless a school is operating under a notice as described above, and the school meets standards under all performance frameworks, the school is considered to be in good standing and is therefore subject to all standard oversight and monitoring. Schools in good standing may be eligible to incentives, including but not limited to longer charter terms and fewer site evaluations.

## **Section 5: High-Stakes Decisions**

The Authority will consider the collective record of a school's academic, financial, organizational, findings from the site evaluation process, and all data and information provided by the Department of Education when making high-stakes decisions such as contract renewal, amendments and revocation. Academic performance will be the most important factor in these recommendations.