



STATE PUBLIC CHARTER SCHOOL AUTHORITY

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ACTION MEMORANDUM

TO: SPCSA Board
FROM: Mike Dang, Manager, Financial and Organizational Performance
Mark Modrcin, Director of Authorizing
SUBJECT: Oasis Academy request for good cause exemption and approval to acquire facility currently leased.
DATE: August 27, 2021

Summary of Requests and Recommendation

The Board of Oasis Academy (“Oasis”) requests that the SPCSA approve this request for a good cause exemption to hear this matter and approve its request to amend its charter school contract to enable the school to pursue acquiring the facility it is currently leasing space in. After review of the request and accompanying documentation, staff recommend approval of both requests.

Background

Oasis Academy is located at 920 West Williams Ave, in Fallon, Churchill County, next door to Western Nevada College. It is a part of the Fallon community where the Fallon Naval Air Station is located. The school is currently operating under a six-year contract which expires on June 30, 2023. Enrollment for the 2020-2021 school year was 689 pupils.

Oasis Academy opened a K-8 program in 2011 with 180 students. After two years the school expanded to meet demand, doubling in size by adding a second class at each grade level, and in 2015, a high school was added. With the exception of one year at the elementary level, Oasis Academy has consistently been a five-star school at all levels – elementary, middle and high. Oasis Academy’s mission is as follows: The Charter School, in partnership with its parents and community, strives to instill in its students high standards for academic achievement, leadership, integrity, and responsible citizenship. The Charter School will create leaders one project at a time.

Old Fallon LLC, the current owners of the building in which Oasis Academy is located, approached Oasis about purchasing the 104,000 square foot building with the 11 acres it occupies. The Oasis Academy amendment application states that the current location of the school is ideal. It is in the center of town at a stop light, and next door to the college where the Oasis Academy high school is housed. It is also next door to the athletic facilities used by the school. Purchasing the property in its entirety would allow the school to double its usable

space while decreasing the monthly financial obligation by approximately 20% by utilizing a commercial bank loan with a 20 year amortization.

It is important to note that there are Easements with Covenants and Restrictions Affecting Land (ECR) to this property that would have to be renegotiated with adjacent property owners in the complex. These property owners are: the Albertsons Corporation (owner of Safeway), Maverick, Washington Federal Bank, and Shelley Miller (owner of the coffee shop). Currently the ECR would prohibit Oasis from renovations that would be needed to the additional space. Oasis' attorney, Tim Koval (Hutchison & Steffan), has already started working to resolve this. Oasis has a conceptual agreement from the Albertsons Corporation but recognizes the other entities involved may not be agreeable. As stated in the application, amendment of the ECR's is a required condition of the Oasis Board of Directors prior to closing on the property. If Oasis is unable secure amendment to the ECRs, Oasis will not proceed with the property purchase, and will continue down the path of purchasing vacant property at a different location, though the school indicates substantial hurdles with this approach.

The educational model of the school will not change as a result of this purchase; however, with the additional space Oasis hopes to add the following spaces down the road:

- More office space to allow for additional counselors that will be needed as the school continues to build out its high school grades, as well as offices for reading and math specialists.
- Small learning spaces for interventions/tutoring for each grade level band.
- Large indoor shared space for P.E., drama, etc.
- More classrooms to accommodate the slow growth model already approved.
- Makers space to accommodate project based learning.

Oasis Academy has seen a steady increase in FRL student enrollment. At the end of the 2020-21 school year Oasis had 28% of its students qualifying as such. This is up from approximately 20% during the 2018-19 school year. Dusty Casey, CFO for Oasis Academy, is a board member of the Food Bank of Northern Nevada, and through that connection the school is in the process of setting up a food pantry with a commercial fridge and freezer for fresh foods on the school campus. The food pantry is expected to be operational within the next few months.

Oasis' hope is this acquisition will inform more families about the existence of Oasis, reinforce to the community that this is a free public school open to everyone, and ultimately increase enrollment numbers, especially for socioeconomically disadvantaged students.

Oasis currently sees only very modest demographic changes in grades 1-8, due to the high reenrollment levels the school experiences, making it very difficult to achieve significant changes in the number of EL students. However, in grades where there are regular openings, such as kindergarten and high school, Oasis is seeing improvements. To accelerate this progress, Oasis has hired a full-time marketing and public relations manager who will start July 1, 2021.

Applicant Eligibility

When reviewing a Request For Amendment, SPCSA staff and board review the academic, financial and organizational performance of the applicant charter school.

Academically, Oasis Academy meets standards as it ranks at the highest levels in Nevada, helping lead student academic performance to 5-star ratings in the Elementary, Middle and High schools based on the Nevada School Performance Framework (NSPF) rating. Oasis also meets or exceeds most metrics on the SPCSA academic framework.

Oasis also meets standards regarding the financial and organizational performance frameworks.

The pro forma fiscal impacts from the plan submitted by the school show projected annual and cumulative savings to the school, strengthening financial health if this request is approved and the school is successful in acquiring the facility under the herein described terms.

		Payments /	yr 2	yr 3	yr 4	yr 5
Net Savings (Deficits)	SYE 2021	SYE 2022	SYE 2023	SYE 2024	SYE 2025	SYE 2026
Net Acq' & Maint' Savings	\$ -	\$105,801	\$147,508	\$157,591	\$158,398	\$158,398
Cumulative Savings (Costs)		\$105,801	\$253,309	\$410,900	\$569,298	\$727,696

Summary and Recommendation

Overall, SPCSA staff finds the Oasis application to take steps to acquire the facility it is leasing space in compelling. As such, staff recommends that the SPCSA board approve Oasis’s request to take the described steps to acquire this facility.

This request would be with the condition that Oasis submit a monthly progress report to staff showing its progress in acquiring the current facility it is leasing space in. Staff will work directly with the school on the format of these reports.

Proposed Motion:

Approve the good cause exemption request of the Oasis Academy and the request for approval to acquire the facility it is leasing, subject to the condition that the school monthly submit progress updates to SPCSA staff of its status to acquire the facility through closing and to amend the relevant ECR or the termination of this acquisition option.

The enrollment cap for Oasis Academy for the remainder of the charter term are as follows :

	2021-22	2022-23
Enrollment Cap	750	775
Grades	K-12	K-12

Appendix: School Performance and Demographics

Star Ratings (NDE-NSPF)		
Year	School Name	Stars
2012	Oasis Acad	5
	Oasis Acad ES	5
2013	Oasis Acad	5
	Oasis Acad ES	4
2014	Oasis Acad	5
	Oasis Acad ES	5
2015	Oasis Acad ES	5
	Oasis Acad MS	5
2017	Oasis Acad HS	N/A
	Oasis Acad ES	5
	Oasis Acad MS	5
2018	Oasis Acad ES	3
	Oasis Acad HS	5
	Oasis Acad MS	5
2019	Oasis Acad ES	5
	Oasis Acad MS	5
	Oasis Acad HS	5

SYE	Total Enrollment	A	B	C	H	I	M	P	FRL	IEP	ELL
2021	694	2.5%	1.7%	68.1%	18.7%	3.1%	5.3%	0.2%	26.9%	11.6%	3.0%
2020	639	3.3%	1.3%	70.3%	16.4%	3.3%	5.0%	0.5%	22.7%	10.0%	2.0%
2019	612	3.8%	1.5%	72.9%	13.9%	3.8%	3.8%	0.5%	19.9%	9.8%	2.3%
2018	572	3.5%	1.6%	75.0%	11.7%	4.2%	3.5%	0.5%	14.2%	9.8%	2.3%
2017	510	2.5%	2.4%	72.9%	12.9%	5.1%	3.7%	0.4%	18.8%	10.4%	0.6%
2016	490	2.7%	2.2%	75.9%	10.8%	4.7%	3.3%	0.4%	16.1%	9.4%	1.0%

A – Asian

B – Black

C – White

H – Hispanic

I – American Indian/Alaskan Native

M – Two or more races

P – Pacific Islander

IEP – Individualized Education Plan – A student with a disability/special education student

ELL – English Language Learner

FRL – A student who qualifies for Free or Reduced-Price Lunch