

STATE PUBLIC CHARTER SCHOOL AUTHORITY

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ACTION MEMORANDUM

TO: SPCSA Board

FROM: Mark Modrcin, Director of Authorizing

SUBJECT: Doral Academy of Northern Nevada – Charter Renewal Recommendation

DATE: December 16, 2022

Background and Summary

Doral Academy of Northern Nevada (DANN) has submitted an application to renew its charter contract as the current charter contract expires on June 30, 2023. DANN is a brick-and-mortar public charter school that currently serves 956 students in Kindergarten through 8th grade at one campus in Reno.

After a thorough review of the historical data and charter renewal application, staff recommends that the Authority approve the charter renewal of DANN for an eight-year term, beginning July 1, 2023.

The Process Related to Renewal Applications and the Standards Under Which an Application for Renewal of a Charter Contract Will be Granted

The first step in the renewal process is the submission of a renewal report by SPCSA staff to the charter school.¹ Specifically, on or before June 30 immediately preceding the final school year prior to expiration of a charter school's charter contract, the SPCSA submits to the governing body a report regarding renewal. The DANN renewal report was sent to the board chair on June 30, 2022 and can be found within the supporting documentation for the item.

The renewal report summarizes the performance of the charter school under the terms of the charter contract, identifies any deficiencies related to performance of the charter school that might lead to non-renewal of the charter contract, sets for the requirements forth the renewal application, and identifies the criteria that the sponsor will apply in making a determination on the application for renewal. The charter school may submit a response to the renewal report. See NRS 388A.285(1) and (2).

Next, the governing body of the charter school must submit a written notice of intent to submit an application for renewal to the SPCSA 45 days prior to submitting a renewal application. See <u>NAC 388A.415(1)</u>. DANN submitted its notice of

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¹ Charter school regulations provide for an expedited and streamlined renewal process for high-performing charter schools. Generally, charter schools qualifying for expedited renewal review are those charter schools that are consistently rated as four-and five-star schools under the NSPF and have received no notices of concern or notices of breach for academic, organizational or financial performance. See NAC 388A.415(2).

Intent to Renew its charter contract on September 1, 2022 and DANN's notice of intent to renew can be found along with the supporting documents.

In regard to the renewal application, the window to submit the actual renewal application is October 1 through October 15. See NRS 388A.285(3) and NAC 388A.415(1). The application for renewal must include, without limitation:

- (a) The requirements for the application identified by the sponsor in the performance report prepared by the sponsor;
- (b) A description of the academic, financial and organizational vision and plans for the charter school for the next charter term:
- (c) Any information or data that the governing body of the charter school determines supports the renewal of the charter contract in addition to the information contained in the performance report prepared by the sponsor and any response submitted by the governing body; and
- (d) A description of any improvements to the charter school already undertaken or planned.

See NRS 388A.285(3). DANN submitted its renewal application, which can be found included with the supporting documents, by the October 15th deadline.

The DANN renewal application describes the key design elements of the school, explaining that it is an arts-integrated school that replicates the successes of the Doral schools in Florida and the Las Vegas area, and that the school does not anticipate any proposed changes to programs, structures, or principles in the upcoming term. The application explains that arts integration is instruction that integrates content and skills from the arts – dance, music, theater, and the visual arts – with other core subjects, and is highly effective in engaging and motivating students. The renewal application also notes that this method supports the academic achievement and improves social behavior of students while enhancing school climate and parental involvement. According to the renewal application, the school's guiding principles of community involvement, creative expression, and academic excellence have helped it achieve and maintain a 5-star rating since its opening year. Key components of the school's curriculum model are: academic curriculum, which is aligned to the Nevada Academic Content Standards; arts integration, which provides proven instructional strategies and methods designed to enhance engagement and achievement; textbooks and other support materials which are research-based and meet the standards on EdReports; and data-driven instruction, which requires that the school implement and maintain a robust system of internal assessment, ongoing monitoring, constant communication and support services for all students.

As described in detail later in this memo, the DANN board continues to closely monitor the school's financial performance, particularly with regard to the school's total margin, debt-to-asset ratio, and cash flow measures. The renewal application notes that the DANN board believes the school's scores under each measure will continue to improve in the coming years.

Decisions to renew a charter school contract or deny a renewal application are made and based upon the Nevada's charter school statutes and regulations related to charter school renewal (see NRS 388A.285) and 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.

Note that no factor may be given more weight than the academic performance of pupils at the charter school, and the academic performance of the charter school is the touchstone of any renewal decision. See NAC 388A.415(10)(b).

In making its recommendation to the Authority regarding a renewal application, SPCSA staff considers the past performance of the charter school, including information contained in the application for renewal, any site evaluations, academic achievement of pupils, and any other information that is determined to be relevant to whether the charter contract should be renewed, including financial and organizational performance. See NAC 388A.415(9).

When determining whether to grant an application for renewal of a charter contract, the Authority Board considers the foregoing factors, any other information that the Authority Board determines is relevant to whether the charter contract should be renewed. The Authority Board will consider the "totality of the evidence" presented to it when making a

renewal decision. See <u>NAC 388A.415(9)</u>. Again, as stated above, no factor is to be given more weight than the academic performance of pupils at the charter school.² See NAC 388A.415(10)(b).

At its sole discretion, the Authority Board may renew a charter contract for a term of three (3) to ten (10) years, or, alternatively, deny the renewal application. See <u>NRS 388A.285(6)</u> and <u>NAC 388A.415(11)</u>. Note that a variable term length upon renewal was discretion afforded to the Authority under Senate Bill 451 during the 2019 Legislative Session and is now codified in NRS 388A.285(6).

The Authority Board may accept or reject, in whole or part, the recommendation of the Executive Director. See <u>NAC</u> 388A.415(10)(a). See <u>NAC</u> 388A.415(11)(b) and (c).

Alternatively, the Authority Board may deny the renewal application for the purpose of reconstituting the governing body of the charter school pursuant to NRS 388A.330 and assigning the charter contract to a charter management organization or a new governing body which may include, without limitation, the governing body of another charter school or a governing body assembled by the Executive Director; deny the renewal application for the purpose of restarting the charter school and issuing a new charter contract pursuant to NRS 388A.300 to a charter management organization or a new governing body, including, without limitation, the governing body of another charter school, which will inherit any assets of the charter school which remain following dissolution; or deny the renewal of a charter contract for the purpose of closing the charter school. See NAC 388A.415(11)(d),(e) and (f).

Analysis

Academics

DANN currently operates one campus in Reno. This campus has received NSPF ratings over the course of the charter term which indicate performance over the current charter term that has consistently exceeded academic performance expectations as described under the NSPF. The DANN elementary school program earned a 5-star rating according to the 2017 – 2018 and 2018 – 2019 NSPF ratings. As noted in the NSPF guidance document, a 5-star rating recognizes a superior school that exceeds expectations for all students and subgroups on every indicator category with little or no exception. A 5-star school demonstrates superior academic performance and growth with no opportunity gaps. The school does not fail to meet expectations for any group on any indicator. These schools are recognized for distinguished performance. As a result of this consistent performance over the current charter term, the Authority has not issued any Notices to the DANN elementary school program.

The DANN middle school program has also exhibited consistently high performance as measured by the NSPF over the current charter term, earning at least a 5-star rating under the NSPF each year the school has qualified for a rating.

As the Authority is aware, NSPF school ratings and accountability for the 2019 – 2020 and 2020 – 2021 school years have been carried over from the 2018 – 2019 reporting year. Star ratings were not calculated for the 2021 – 2022 school year due to lack of data brought on by the COVID-19 pandemic as approved by the U.S. Department of Education³, but the Nevada Department of Education published index scores⁴. The DANN elementary program earned an index score of 86.1 while the middle school program earned an index score of 93.3. In a typical year when star ratings are issued, both of these index scores would be equivalent to five-star ratings.

The NSPF results for this current charter term are summarized and provided in the table below:

² See <u>NAC 388A.415(10)</u>. With regard to a second renewal, the Authority is required to place an even greater weight on academic performance than was assigned to it on the first renewal.

³ Page 72 of the NSPF technical guide:

http://nevadareportcard.nv.gov/DI/MoreDownload?filename=Nevada%20School%20Performance%20Framework%20Manual%2020 21-22%20School%20Year.pdf

⁴ According to the NSPF technical guide released by the Nevada Department of Education, star ratings were not calculated for the 2021 – 2022 school year in accordance with flexibility offered in the U.S. Department of Education's addendum to Nevada's consolidated state plan due to COVID-19. Star ratings will resume in 2023.

School Year	NSPF Rating
2021 - 20225	- Elementary: 86.1
	- Middle: 93.3
$2020 - 2021^6$	- Elementary: 5 – stars
	- Middle: 5 – stars
$2019 - 2020^7$	- Elementary: 5 – stars
	- Middle: 5 – stars
2018 - 2019	- Elementary: 5 – stars
	- Middle: 5 – stars
2017 - 2018	- Elementary: 5 – stars

The Authority adopted its own Academic Performance Framework in 2019⁸. Results for DANN during the 2021 – 2022 can be found below.

Campus	2021-22 SPCSA Academic Framework Score	2021-22 SPCSA Academic Framework Rating			
Elementary	82.6	Exceeds Standard			
Middle	88.9	Exceeds Standard			

Organizational

The current iteration of the SPCSA's Organizational Performance Framework was adopted by the Authority in the summer of 2019. The school earned 97 points under the 2020 Organizational Performance Framework as approved by the Authority on November 6, 2020, and earned 100 points under the 2021 Organizational Performance Framework as approved by the Authority on January 28, 2022. SPCSA staff have not noted any substantial organizational performance concerns during the 2022 – 2023 school year.

SPCSA Organizational Framework Findings

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	2021 - 2022	To be reported in December 2022						
	2020 - 2021	Meets the Standard (100/100 points)						
	2019 - 2020	Meets the Standard (97/100 points)						
	2018 - 2019	No organizational performance concerns identified						
2017 – 2018 No organizational performance concerns identified								

Financial

In 2018, the Authority requested that the SPCSA Financial Framework be modified so as to be better assess the financial health of sponsored schools. The revised SPCSA Financial Framework was approved on January 18, 2019, with results

⁵ According to the NSPF technical guide released by the Nevada Department of Education, star ratings were not calculated for the 2021 – 2022 school year in accordance with flexibility offered in the U.S. Department of Education's addendum to Nevada's consolidated state plan due to COVID-19. Star ratings will resume in 2023.

⁶ Due to COVID-19, the Nevada Department of Education (NDE) applied for and was granted a 2020-21 school year waiver from the U.S. Department of Education for certain requirements established by the Every Student Succeeds Act (ESSA). Nevada statewide assessments were administered in the 2020-21 school year, but the NDE did not calculate new Nevada School Performance Framework (NSPF) school ratings for the 2020-21 school year.

⁷Due to COVID-19, the Nevada Department of Education (NDE) applied for and was granted a 2019 – 20 school year waiver from the US Department of Education for certain assessment, accountability, school identification, and reporting requirements established by the Every Student Succeeds Act (ESSA). Accordingly, for the 2019 – 20 school year, Nevada statewide assessments were not administered and the NDE did not calculate Nevada School Performance Framework (NSPF) school ratings.

⁸ Despite being adopted in 2019, results under the SPCSA Academic performance Framework were not adopted for the 2019 – 2020 and 2020 – 2021 school years due to the COVID-19 pandemic and the lack of NSPF scores. 2021 – 2022 was the first academic year with reported scores.

for FY20 approved by the Authority in January 2021. DANN met performance standards for FY20 as the school earned a 'Meets Standard' rating under four of the seven indicators within the framework. The remaining indicators exhibited shortcomings for specific, contextual reasons (such as the acquisition of the school's facility), and for those justifiable reasons, the school was not issued a Notice. However, DANN was directed to develop a remediation plan. For FY21, DANN again demonstrated strong performance and showed some improvement when compared to the prior year, earning a 'Meets Standard' rating under five of the seven reported indicators. Again, the remaining two indicators fell short of expectations due to justifiable reasons specific to the school's context, and as such, SPCSA staff continues to monitor the performance of this school alongside the previously referenced remediation plan.

SPCSA Financial Framework Findings

2021 - 2022	To be reported in January 2023
2020 - 2021	Meets the Standard
2019 - 2020	Meets the Standard
2018 – 2019	No financial performance concerns identified
2017 - 2018	No financial performance concerns identified

Recommendation: Renew Doral Academy of Northern Nevada for an 8-year term

As described above, DANN has consistently exhibited strong academic performance over the charter term, earning a 5-star rating for both the elementary and middle school program in every year ratings have been issued. The elementary school program has historically exceeded performance expectations according to the NSPF. The middle school program has also consistently exceeded performance expectations under the NSPF over the current charter term. This level of performance was reaffirmed by the 2021 – 2022 SPCSA Academic Performance Framework ratings as well as the index scores issued by the Nevada Department of Education for the 2021 – 2022 school year.

DANN has not exhibited any major organizational of financial performance concerns over the course of the current charter term, although staff is monitoring the school's performance under its remediation plan to ensure this remains the case.

Ultimately, because the academic performance of DANN has been consistently at or above expected performance levels, throughout the current charter term, SPCSA staff recommends that the Authority renew DANN for an eight-year term, beginning July 1, 2023. Stronger performance under the SPCSA financial performance framework, particularly with regard to the calculated debt-to-asset ratio, is needed to warrant a longer charter term. The new term would be subject to the enrollment caps outlined below.

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31			
	Enrollment Caps										
DANN	950	950	950	950	950	950	950	950			
Grades											
Served	K-8	K-8	K-8	K-8	K-8	K-8	K-8	K-8			
(all campuses)											

Proposed Motion

Approve the Doral Academy of Northern Nevada Renewal Application for an eight-year term beginning July 1, 2023 and the enrollment caps as outlined above in the recommendation memo. In the event of academic, financial or organizational underperformance the Authority may impose additional oversight.

Appendix: School Demographics since 20179

Doral Academy of Northern Nevada (DANN)

Year	Total Enrollment	A	В	C	Н	I	M	P	IEP	ELL	FRL
17-18	161	4.9%	0.0%	72.0%	16.1%	0.0%	6.2%	0.6%	6.2%	*	0.0%
18-19	626	5.1%	0.6%	74.2%	12.9%	0.3%	6.0%	0.6%	9.2%	*	6.5%
19-20	814	5.0%	0.2%	73.2%	13.1%	0.3%	7.8%	0.1%	10.8%	*	0.0%
20-21	899	4.8%	0.6%	70.1%	14.0%	0.2%	9.8%	0.1%	11.1%	*	8.3%
21-22	925	4.8%	0.3%	71.0%	14.9%	0.1%	8.6%	0.1%	10.8%	*	6.4%
22-23	956	4.6%	0.3%	70.8%	15.2%	0.2%	8.7%	0.0%	11.6%	*	6.2%

A - Asian

B – Black/African American

C - Caucasian/White

H – Hispanic/Latino

I – American Indian/Alaskan Native

 $M-Two \ or \ More \ Races$

P – Pacific Islander

IEP - Individualized Education Program - A student with a disability/special education student

ELL – English Language Learner

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

To protect student privacy, rates associated with IEP, ELL, and FRL populations less than 10 students are displayed with an asterisk (*), and extreme values less than 5 or greater than 95 percent are shown as <5 and >95, respectively. N/A indicates the population did not exist.

⁹ Enrollment as of Validation Day each year (October 1).