

STATE PUBLIC CHARTER SCHOOL AUTHORITY

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ACTION MEMORANDUM

TO: SPCSA Board

FROM: Mark Modrcin, Director of Authorizing

SUBJECT: Quest Preparatory Academy – Charter Renewal Recommendation

DATE: December 16, 2022

Background and Summary

Quest Preparatory Academy (Quest) has submitted an application to renew its charter contract as the current charter contract expires on June 30, 2023. Quest is a brick-and-mortar public charter school that currently serves 452 students in Kindergarten through 8th grade at one campus in Las Vegas.

After a thorough review of the historical data and charter renewal application, staff recommends that the Authority approve the charter renewal of Quest for a four-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 Quest 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>. Quest 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 August 30, 2022 and Quest'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). On October 15, 2022, Quest submitted its renewal application, which can be found included with the supporting documents.

Quest's renewal application states that the school has two core focus areas. First, the school has concentrated on the implementation of an intensive academic curriculum that addresses students' needs and then continues to challenge all students to achieve their highest expectations—ensuring that they are college and career ready, no matter where their paths may lea. A second priority is drawing on the resources and skills of families, parents, students, businesses, and community groups to help Quest students become confident in their abilities and proud of their communities, their culture, and their histories.

In terms of key academic design elements, the school's renewal application notes that over the current charter term, Quest has implemented a research-based literacy and numeracy curriculum, increased student instructional time in literacy and numeracy, and focused on targeted teacher development. The application goes on to state that crucial to these efforts was also the capacity building of school leaders, staff, and teachers. These efforts have ensured that Quest is well-positioned for the future and has the structure and systems for continued improvement. The application also explains that targeted teacher development has been a priority for the school. Professional development sessions are described as cohesive, tied to data, and relevant. The goal of professional development sessions is to improve teacher content knowledge, pedagogy, and delivery.

Because the school is operating under a current financial Notice of Concern, Quest points to its action plan developed as a result of the issuance of the Notice to improve the school's financial framework ratings and the financial health of the school. According to the amendment application, by using the framework and targets as a guide, the school has significantly improved under multiple metrics and is expecting continued improvement for SY22. The renewal application states that the school will be working towards a budget surplus with an eye on increasing reserves, and the Quest governing board will continue to stay apprised of this work through monthly updates.

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 <u>NAC 388A.415(10)(b)</u>.

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 388A.415(10)(a)</u>. If a charter contract is renewed, that Authority Board may include a provision for a high stakes review during the term of the renewed charter contract which may result in the termination of the renewed charter contract prior to its expiration, or renew the charter contract and include any additional provisions, requirements or restrictions which the State Public Charter School Authority determines are appropriate. See <u>NAC 388A.415(11)(b) and (c)</u>.

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

Quest currently operates one campus in Las Vegas. This campus has received NSPF ratings over the course of the charter term, and while performance has been mixed, has been trending in a positive direction as evidenced by the most recent index scores for the 2021 - 2022 school year. It should also be noted that Quest was operating under a receiver until the fall of 2020 when the current governing board was reconstituted by the Authority. The receivership was instituted due to many performance shortcomings – organizational, financial, and academics. Prior to the receivership, the school was also operating under SPCSA interventions and facing the possibility of closure.

The Quest elementary school program earned a 2-star rating according to the 2018 – 2019 NSPF ratings. As noted in the NSPF guidance document, a 2-star rating identifies a school that has partially met the state's standard for performance. Students and subgroups often meet expectations for academic performance or growth but may have multiple areas that require improvement. Areas requiring significant improvement are uncommon. Due to the 2-star rating for the elementary school, the Authority issued a Notice of Concern to Quest on October 4, 2019. 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. For the 2021-22 school year, Quest's elementary school earned a 57.5 index score, and as a result, the Authority removed the prior notice at its meeting on November 18, 2022.

The Quest middle school program earned a 3-star rating according to the 2018 – 2019 NSPF ratings. As noted in the NSPF guidance document, a 3-star school rating identifies an adequate school that has met the state's standard for performance. The all-students group has met expectations for academic achievement or growth. Subgroups meet expectations for academic achievement or growth with little exception; however, no group is far below standard. As previously noted, 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

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:

Department of Education published index scores⁴. The Quest elementary program earned an index score of 57.5 while the middle school program earned an index score of 52.2. In a typical year when star ratings are issued, these index scores would be equivalent to a three-star rating.

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

School Year	NSPF Rating						
2021 - 20225	- Northwest						
	o Elementary: 57.5						
	o Middle: 52.2						
$2020 - 2021^6$	- Northwest						
	 Elementary: 2-stars 						
	 Middle: 3-stars 						
$2019 - 2020^7$	- Northwest						
	 Elementary: 2-stars 						
	 Middle: 3-stars 						
2018 – 2019	- Northwest ⁸						
	o Elementary: 2-stars						
	 Middle: 3-stars 						
2017 – 2018	- Alexander Campus						
	 Elementary: Not Rated⁹ 						
	- Bridger Campus						
	 Elementary: 2-stars 						
	- Torrey Pines Campus						
	 Elementary: 2-stars 						
	 Middle: 3-stars 						

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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.

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 Campus renamed from Torrey Pines to Northwest in the 2018-19 school year.

⁹ Quest Academy Alexander was not rated in 2017-18 due to their grade configuration as preschool only.

The Authority adopted its own Academic Performance Framework in 2019^{10} . Results for Quest during the 2021 - 2022 can be found below.

Campus	2021-22 SPCSA Academic Framework Score	2021-22 SPCSA Academic Framework Rating			
Elementary	52.5	Meets Standard			
Middle	53.3	Meets Standard			

Finally, due to the previous notice for the Quest elementary school program, SPCSA staff had implemented heightened oversight for the network over the current charter term. This included:

- Additional performance reporting to the Authority. Quest has appeared multiple times before the Authority since the Notice of Concern was issued in 2019.
- Additional performance reporting to SPCSA staff. The Quest elementary program provided mid-year performance data for the 2020 21 school year last spring for SPCSA monitoring.
- Ongoing site evaluations across the network, including additional evaluations due to the previous Notice of Concern. Since January 2019, SPCSA staff has conducted four site evaluations at Quest, with the most recent occurring in the fall of the 2022 2023 school year. Site evaluation reports always include several recommendations for schools. Over the current charter term, SPCSA staff has recommended that the school prioritize the annual school leader evaluation, continue to develop board capacity and consider adding additional members, and work to ensure that the school campus has strong logistical and safety plans given the current setup of the campus.

Organizational

The current iteration of the SPCSA's Organizational Performance Framework was adopted by the Authority in the summer of 2019. The school earned 98 points under the 2020 Organizational Performance Framework as approved by the Authority on November 6, 2020, and earned 96 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

2021 - 2022	To be reported in December 2022
2020 - 2021	Meets the Standard (96/100 points)
2019 - 2020	Meets the Standard (98/100 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 for FY20 approved by the Authority in January 2021. Quest was issued a Notice of Concern for FY20 as a result of its financial performance. The school did not earn a 'Meets Standard' rating under six of the seven reported indicators. For FY21, Quest demonstrated improvement and earned a 'Meets Standard' rating under four of the seven reported indicators, with the remaining three still not meeting performance standards. Despite this improvement, the Authority did not remove the Notice of Concern noting that continued improvement would be needed in order to do so. This Notice remains active.

SPCSA Financial Framework Findings

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2021 - 2022	To be reported in January 2023

¹⁰ 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.

2020 - 2021	Notice of Concern (continued from FY20)
2019 - 2020	Notice of Concern issued
2018 - 2019	No financial performance concerns identified
2017 - 2018	No financial performance concerns identified

Recommendation: Renew Quest Preparatory Academy for a 4-year term

As described above, Quest has exhibited a range of academic performance over the charter term, but is currently meeting performance standards according to the index scores issued by the Nevada Department of Education as well as the scores earned under the SPCSA Academic Performance Framework. Quest also has an active financial notice, a Notice of Concern, due to continued underperformance.

SPCSA staff applauds the academic progress demonstrated by Quest over the current charter term. SPCSA staff will continue to monitor the financial performance in the coming years, both through ongoing oversight as directed by the Authority as well as through a scheduled site evaluation in early 2023. Results of the FY22 financial framework are also scheduled to be presented in early 2023. Ultimately, because the academic performance of Quest is at or above the state performance standards according to the NSPF and the SPCSA Academic Performance Framework, SPCSA staff recommends that the Authority renew Quest for a four-year term, beginning July 1, 2023. Improved performance, particularly with regard to the school's finances, is needed to warrant a longer charter term. The new term would be subject to the enrollment caps outlined below.

	2023-2024	2024-2025	2025-2026	2026-2027			
Enrollment Caps							
Quest	500	500	500	500			
Grades Served (all campuses)	K-8	K-8	K-8	K-8			

Proposed Motion

Approve the Quest Preparatory Renewal Application for a four-year term beginning July 1, 2023 and the enrollment caps as outlined above in the recommendation memo. Additionally, direct SPCSA staff to continue heightened oversight and monitoring over the school's financial performance given the current active Notice of Concern. In the event of continued financial underperformance, the Authority may impose additional oversight.

Appendix: School Demographics since 2017¹¹

Quest (combined)12

Year	Total Enrollment	A	В	C	Н	I	M	P	IEP	ELL	FRL
17-18	738	3.5%	33.6%	17.2%	34.9%	0.5%	8.1%	2.0%	9.2%	11.2%	53.1%
18-19	505	2.3%	46.5%	10.8%	30.0%	0.7%	8.1%	1.1%	7.3%	10.0%	69.9%
19-20	484	2.0%	50.2%	8.4%	29.7%	0.8%	8.4%	0.2%	8.6%	9.9%	>95.0%
20-21	486	1.8%	49.3%	12.1%	27.7%	1.2%	6.7%	0.8%	11.3%	8.2%	>95.0%
21-22	475	2.1%	50.1%	11.7%	26.5%	1.2%	7.3%	0.8%	8.6%	8.8%	>95.0%
22-23	452	1.7%	48.4%	9.0%	29.4%	0.8%	8.8%	1.5%	6.8%	8.6%	>95.0%

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.

¹¹ Enrollment as of Validation Day each year (October 1).

¹² 2017 – 2018 combined enrollment includes the Alexander, Bridger, and Torrey Pines campuses. 2018 – 2019 combined enrollment includes the Alexander and Northwest (formerly Torrey Pines) campuses. The enrollment for 2019 – 2020, 2020 – 2021, 2021 – 2022 and 2022 – 2023 represent enrollment at the single currently operating campus.