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ACTION MEMORANDUM

TO: SPCSA Board
FROM: Katie Broughton, Director of Authorizing
Nate Hanson, Management Analyst IV
SUBJECT: Recommendation Regarding Revolving Loan Fund Application for Alpine Academy
DATE: December 12, 2025

Summary of Request and Recommendation

Pursuant to [NAC 388A.665](#), the governing body of a public charter school may apply to the State Public Charter School Authority (SPCSA) for a loan from the Revolving Loan Fund account as authorized by the Legislature for purposes including, pursuant to [NRS 388A.435](#), “preparing a charter school to commence its first year of operation,” as well as to “improve a charter school that has been in operation,” and to “fund recruitment of teachers and pupils to new charter school facilities and enrollment of pupils in such facilities.”

Authority staff received a Revolving Loan Fund Application from Alpine Academy. According to the submitted application, the school is seeking the loan to be used for the purposes of continuing aggressive student enrollment growth and bridging cash flow shortfalls following its recent significant financial commitments to a new larger facility and increased staffing necessary for its aggressive growth plans.

SPCSA staff have reviewed the application to ensure alignment with at least one of the statutory purposes and that there was a strong plan in place for management and repayment of funds should the loan be awarded.

After reviewing the application, SPCSA staff recommends that the Authority approve this loan application.

Background

Alpine Academy Charter High School has been chartered in Nevada since 2009. The SPCSA Board approved Alpine Academy's amendment to relocate its facility and increase enrollment capacity at its June 21, 2024 meeting. Alpine Academy commenced operations in the new facility in the 2024-2025 school year, and can now accommodate up to approx. 400 students in a more prominent location that is better adapted to education than the former light industrial warehouse. As of October 1, 2025, the school's official enrollment for the 2024-2025 school year is 232. The school submitted its application to the SPCSA for the October 15, 2025, deadline.

Summary of the Process

After receiving the application, staff conducted a completeness check, requested, and received any missing files, then, after full receipt, confirmed that the application did contain all appropriate and relevant information or additional requested required information. SPCSA staff then evaluated the revolving loan application using the SPCSA revolving loan rubric which sets forth the standards of review for the approval of a revolving loan.

The application and rubric are divided into three sections. The first section confirms an applicant understands the Revolving Loan Fund account and explores the financial health and viability of the school. If the school has opened, the school is required to provide the most recent three years of audited financial statements. In lieu of that requirement, a new school opening for the first time is required to submit a copy of their internal financial and procedural controls and a letter from a CPA, or other SPCSA approved financial professional, attesting to the appropriateness of the school's financial controls and procedures.

The second section requires the school to describe its current financial needs, including "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, pursuant to [NRS 388A.438](#),...the effect of the loan,...anticipated expenses, etc., pursuant to [NAC 388A.665](#)." It must also include a budget showing all sources of revenues and expenses, the cost for repayment of the loan, and "a written narrative explaining...the assumptions made in developing the budget. The loan repayment plan is governed by NRS 388A and NAC 388A."

The third section of the rubric evaluates the school's business plan and ability to maintain a healthy student enrollment.

There are two rating options for each section: Meets the Standard or Does Not Meet the Standard. Overall, the Alpine Academy Revolving Loan application received a Meets the Standard rating in each of the three sections.

Revolving Loan and Repayment

Alpine Academy is requesting a SPCSA Revolving Loan in the amount of \$117,000 which "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" pursuant to [NRS 388A.435](#). The school's submitted application thus

requests the maximum loan amount available based on presumed enrollment of 234 students, which is in alignment with the actual Oct 1, 2025 (FY26) Count Day enrollment of 232. Upon approval, SPCSA staff will verify enrollment levels and make any necessary funding adjustments at that time. SPCSA staff have determined, pursuant to [NAC 388A.665](#), that the balance of funds in the applicable account is sufficient to make this loan or that the SPCSA is working with another agency and the Governor's office to borrow or otherwise receive sufficient funds to enable funding of this loan application.

Pursuant to [NAC 388A.675](#) regarding repayments, should Alpine be awarded a Revolving Loan, the school will begin repaying the loan according to the terms provided by the SPCSA in a forthcoming Loan Agreement and at the rate of interest that is the prime rate at the largest bank in Nevada, as ascertained by the Commissioner of Financial Institutions. The applicable prime rate is currently 7.5% and subject to change prior to issuance.

Repayments will occur as deductions from the Pupil Centered Funding Plan apportionments otherwise due to Alpine pursuant to [NRS 387.124](#) the annual total of which is in an amount of money equal to the annual repayment amount of the loan, including interest. The deductions will occur with each apportionment to the school. According to the application, Alpine will repay the loan within a period not to exceed three years (36 months), the maximum allowed by NAC 388A.675(2)b.

Summary and Recommendation

The proposed loan would serve primarily as a bridge while the school significantly expands student enrollment—and the corresponding PCFP revenue—from the current 230 students toward the facility and staffing capacity of approximately 400 students. The school expects that about 75% of loan proceeds will cover increased facility and staffing costs associated with this growth, with the remaining funds directed toward enhanced student recruitment, technology, and instructional materials. The school has roughly doubled its enrollment over the past five years (growing about 14% annually) and projects continued aggressive growth of 5% per quarter (approximately 16% annually).

Proposed Motion

Approve the Alpine Academy Loan Fund Application for \$117,000 with the following conditions. Allow SPCSA staff to work with the school to make budget revisions based on the available balance in the Revolving Loan account and the number of students enrolled, as long as the total funding does not exceed the lesser of \$200,000 or \$500 per student enrolled at time of funds disbursement.

- ***By January 15, 2026, submit to SPCSA staff a monthly pro forma budget for each year of repayment (FY27, FY28, and FY29) showing overall cash flow and loan payments***
- ***By January 15, 2026, provide to SPCSA staff credit references from both the Private Lender (\$300,000 principal issued 2025) and Landlord (RBK Investments LLC)***
- ***By January 15, 2026, provide a detailed contingency plan identifying potential cost-reduction plans (such as potential rent abatement and/or staff reduction), dollar amounts, and applicable timing in the event that aggressive enrollment growth***

- projections do not fully materialize during the loan repayment period*
- *Allow SPCSA staff to work with the school to make budget revisions based on the available balance in the Revolving Loan account and the number of students enrolled, as long as the total funding does not exceed the lesser of \$200,000 or \$500 per student enrolled at time of funds disbursement.*

Planned Enrollment (Contract term 2.3)

School Year	2025 – 26	2026 – 27	2027 – 28	2028 – 29
Grade Levels	9-12	9-12	9-12	9-12
Total Enrollment	300	325	350	375