

STATUS REPORT
Nevada Preparatory Charter School and Sage Collegiate Public Charter School
Submitted by Joshua Kern, Closing Administrator
October 9, 2026

Thank you for the opportunity to submit this Status Report for Nevada Preparatory Charter School ("NV Prep") and Sage Collegiate Public Charter School ("Sage").

By way of background, NV Prep's last day of school for students was May 28, 2026, and Sage's last day was May 21, 2026. Since then, we have been engaged in the orderly wind-down of both schools. The following summarizes our progress and outstanding matters.

Epicenter Tasks

We continue to complete Epicenter tasks for both schools. As of October 2, only one task remains outstanding: the AB 285 Student Discipline and Progressive Discipline Data Report for Q4, which is in progress. All financial reporting tasks have been completed. We continue to coordinate with the SPCSA regarding tasks for which required information is not yet available or that do not apply to the schools.

Student Records Requests

We continue to receive several student records requests each week and typically fulfill them within 24 hours. We work with receiving schools, parents, and staff to ensure timely transfers and have personally delivered some students' IEPs to their new schools.

Our daily protocol includes checking Infinite Campus and processing records releases to receiving schools the same day whenever possible. Schools, parents, and staff have expressed satisfaction with the process and the prompt delivery of records. The SPCSA has been extremely supportive when we need assistance processing requests.

Financial Audits

In previous school closures, severe financial constraints led us to conduct a single audit covering both the final school year and the closeout period. For Sage and NV Prep, we have prioritized separate audits for SY 2025–26 and the subsequent wind-down period.

Nevada Prep: Watkins Jackson is conducting the SY 2025–26 audit. We expect completion by the October 31, 2026 deadline.

Sage Collegiate: CLA is conducting the SY 2025–26 audit. Completion by October 31, 2026 is unlikely because substantial cleanup and reconstruction of the books and records were necessary before they could be submitted to CLA. For example, approximately half of the general ledger detail had been recorded as miscellaneous.

Sale of Assets

Sage Collegiate: Sage sold its furniture, fixtures, and equipment (“FF&E”) for a total of \$35,000: \$20,000 to Nevada Rise and \$15,000 to Vegas Vista.

Nevada Prep: Asset sales remain ongoing. We thank AMS for its cooperation in facilitating these sales. On September 28, 2026, NV Prep sold its van to Carvana for \$4,775. (Most of NV Prep’s FF&E had little or no resale value and presented potential removal and disposal costs. These items were transferred to AMS under a purchase and sale agreement for \$1.)

DETR

One or both schools may have missed required filings or payments to the Nevada Department of Employment, Training and Rehabilitation (“DETR”). We are working with DETR to identify any outstanding filings or payments, determine the circumstances involved, and establish any amounts owed.

Payables and Liabilities

We continue to identify and reconcile outstanding payables for both schools. The accounting records for both schools were incomplete, and our liability estimates remain subject to potentially significant revision. Once we have a sufficiently complete accounting of liabilities and remaining closure costs, we can determine the anticipated recovery for general unsecured creditors as a percentage of their claims. We want to take this opportunity to thank creditors for their patience while we work through this process.

PERS

The outstanding PERS balance for each school is \$0. We are not currently aware of any unresolved issues that would change these balances.

Sage Investigation

There is no substantive update on the investigation into the alleged embezzlement. We are awaiting further guidance from the Las Vegas Metropolitan Police Department regarding next steps. We are also preparing an ethics complaint concerning an alleged violation of Nevada’s Ethics in Government Law, NRS Chapter 281A.

Other Sage Collegiate Matters

- Student Injury Lawsuit: Sage is a defendant in *Brown (Brigham) v. Sage Collegiate PCS*. A former student alleges that she was injured during SY 2024–25 when a bathroom sink fell on her. Sage’s insurance carrier appointed David B. Avakian, a partner at Lewis Brisbois, to represent the school.
- Additional Allegations of Financial Misconduct: We have received multiple emails from former staff alleging additional financial misconduct by the former administration. We

take these allegations seriously and will pursue appropriate follow-up as information becomes available.

- Transition and Access to Records: We have coordinated with critical vendors to restore access to necessary drives and records and restrict unauthorized access. We also closed the Bank of Nevada accounts from which the alleged unauthorized payments were made and transferred the remaining funds to another bank.
- Public Records Request: We responded to Ms. Braster's public records request through counsel.

Thank you for the opportunity to serve as Closing Administrator for both Sage and NV Prep. Please do not hesitate to contact me with any questions or concerns.

Yours,

A handwritten signature in black ink that reads "Joshua Kern". The signature is written in a cursive, flowing style.

Joshua Kern
Closing Administrator,
Nevada Preparatory Charter School
Sage Collegiate Public Charter School