### NEVADA LEGISLATURE LEGISLATIVE COMMITTEE ON EDUCATION

(Nevada Revised Statutes 218.5352)

#### SUMMARY MINUTES AND ACTION REPORT

The fourth meeting of the Legislative Committee on Education was held on Thursday, February 21, 2008, at 9:30 a.m. at the Andre Agassi College Preparatory Academy, 1201West Lake Meade Boulevard, Las Vegas, Nevada. A copy of this set of "Summary Minutes and Action Report," including the "Meeting Notice and Agenda" (Exhibit A) and other substantive exhibits, is available on the Nevada Legislature's website at <a href="www.leg.state.nv.us/74th/Interim">www.leg.state.nv.us/74th/Interim</a>. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (e-mail: publications@lcb.state.nv.us; telephone: 775/684-6835).

#### COMMITTEE MEMBERS PRESENT IN LAS VEGAS:

Assemblywoman Bonnie Parnell, Chairwoman Senator William J. Raggio, Vice Chairman Senator Barbara K. Cegavske Senator Bernice Mathews Senator Maurice E. Washington Assemblyman Moises Denis Assemblyman Harvey J. Munford Assemblyman Lynn D. Stewart

#### LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Carol M. Stonefield, Supervising Principal Research Analyst, Research Division Melinda Martini, Senior Research Analyst, Research Division Kristin Roberts, Senior Principal Deputy Legislative Counsel, Legal Division Sara Partida, Deputy Legislative Counsel, Legal Division Joi Davis, Program Analyst, Fiscal Division Maryann Elorreaga, Senior Research Secretary, Research Division

#### **OPENING REMARKS**

Chairwoman Parnell called the meeting to order and welcomed everyone in attendance.

#### WELCOME AND REMARKS

Perry Rogers, Chairman of the Governing Body of the Andre Agassi College Preparatory Academy (AACPA) welcomed the Committee and members of the public and encouraged everyone to tour the school. He said the AACPA was a \$40 million facility attended by 600 students enrolled in Kindergarten through the eleventh grade. Mr. Rogers noted parents were required to enter into a contract regarding parent involvement to enable their children to enroll in the academy.

#### APPROVAL OF MINUTES OF THE JANUARY 10, 2008, MEETING

The Committee **APPROVED THE FOLLOWING ACTION**:

SENATOR CEGAVSKE MOVED TO APPROVE THE MINUTES OF THE JANUARY 10, 2008, MEETING HELD IN CARSON CITY. SENATOR MATHEWS SECONDED THE MOTION WHICH CARRIED.

#### PRESENTATIONS ON CHARTER SCHOOL AUTHORIZATION AND SPONSORSHIP

Chairwoman Parnell said the objective of the meeting was to achieve a clear understanding of the existing structure for authorization of charter schools and to identify any recommendations to amend that current structure to make it function more effectively. She said although there were many interesting facets to charter schools deserving of an examination in a public forum, the topic of the current agenda was charter school authorization and sponsorship. She said the speakers had been invited to discuss the application process, the roles and responsibilities of sponsors, and sponsorship structures in other states that might serve as a model for Nevada.

Carol M. Stonefield, Supervising Principal Research Analyst, Research Division, Legislative Counsel Bureau (LCB), referred to a document titled "Nevada Revised Statutes Charter School Application Process and Authorization" (Exhibit B). She compared the current provisions to the original provisions in the Nevada Revised Statutes relating to the application process and authorization of charter schools.

Senator Washington expressed his concerns regarding provisions in Nevada law that would allow for flexibility in sponsorship, allow innovation and creativity in the application process, provide the opportunity for numerous applicants to apply, and allow flexibility in the operation of charter schools.

Chairwoman Parnell emphasized the provisions of *Nevada Revised Statutes* (NRS) 386.525 that state the DOE *shall* review an application to determine whether it is complete and *may* approve the application.

Assemblyman Denis said Assembly Bill 168 (Chapter 320, *Statutes of Nevada 2005*) amended NRS 386.525 and changed the wording from 'a subcommittee *shall* approve an application' to a subcommittee *may* approve an application'. He said the change was made to provide charter school sponsors discretion in the approval process.

Senator Cegavske expressed her concern that the State Board of Education did not comply with the Legislative intent of NRS 386.525 when it imposed the moratorium on charter school application approvals.

Senator Washington said he wanted to know if the moratorium was fair and just based approval or denial of an applicant who had not met statutory requirements or if it was arbitrary.

- George Perreault, PhD., Professor, Department of Education Leadership, College of Education, University of Nevada, Reno, presented a report titled "Considerations in Charter School Authorization and Management" (<u>Exhibit C</u>). He reviewed the potential advantages, potential disadvantages, and policy considerations for three types of alternative charter school authorizers:
  - 1. The State Board of Education/Department of Education;
  - 2. Regional Educational Entities; and
  - 3. An Independent Charter Board.

Dr. Perreault noted potential disadvantages of State Boards of Education and State Departments of Education as charter school authorizers. He said agencies were regulatory and focused on compliance; they have heavy work loads; and may not have the capacity to direct, oversee, and authorize charter schools.

· Keith King, Administrator, Colorado Springs Early Colleges, conducted a Microsoft PowerPoint presentation titled "Review of the Colorado Charter School Institute as a model for Charter School Authorization and Sponsorship" (Exhibit D). He gave a brief history of the creation of the Colorado Charter School Institute as an authorizing body.

He said the Institute was the local education agency for the schools it authorized, it conducted a more extensive review than any of the other Colorado school districts, and it did not exist to make a profit from the schools it served. He said the Colorado Legislature had a philosophical discussion about whether or not to have the State Board of Education be a charter school authorizer and decided to create a separate board because the State Board would not have had the time, energy, or budget to be an authorizer.

Senator Washington asked about start up costs for a new board.

Mr. King said Nevada could make a one-time appropriation to assist a new board with those costs. Alternatively, if Nevada moved all existing charters to a statewide board, that board would have sufficient funds to start the functioning of the board.

He said the Legislature compromised its position by asking the State Board of Education to be the charter school authorizer in addition to all of the other tasks it performed and should consider an alternative authorizer.

Mr. King then listed the following recommendations for Nevada to consider in the establishment of alternative charter school authorizers:

- 1. The appointment process should include a defined method of pre qualifying applicants for the governing board.
- 2. There should be a requirement that the fees from the charter schools to the State Department of Education be based on actual costs, up to two percent.
- 3. The alternative authorizer should open up the opportunity for charter schools to service the specific needs of students in the districts and state.
- 4. If a limit must be put in statute to restrict how many schools the state will authorize, the limitation should be based on the total number of schools that can be authorized during any given year.
- 5. Provide school district facilities for the charter schools, if possible.
- 6. Provide a communication mechanism between the schools chartered by the governing board and the authorizer.

#### REPORT FROM THE NEVADA STATE CHARTER SCHOOL LEADERSHIP TEAM

Ricci Rodriguez-Elkins, Executive Director, Center for Charter School Development, said six states, including Nevada, had been awarded grants from the U.S. Department of Education's Charter Schools Program. The purpose of the grant was to help increase the number of states with charter school laws that provide the development for high quality charter schools and to implement improved state charter school laws and increase public understanding of charter schools. She referred to a packet of information regarding the Nevada State Charter School Leadership Team (Exhibit E) and discussed the following:

#### Program goals

- o Strengthen state charter school legislation; and
- o Increase public understanding of charter schools.

#### Key activities

- o Compile and review current charter school legislation in other states and identify best practices for Nevada;
- o Propose changes, by way of a bill draft request, to current charter law; and
- o Establish a statewide website to disseminate information about charter schools.

#### **Priorities**

- o Charter school quality;
- o Charter school autonomy in exchange for clear accountability;
- o Charter school governance;
- o Charter schools as local education agencies or charter school district;
- o Charter schools facility funding; and
- Charter school authorizing.

She noted 16 of the 20 schools that responded to a spot poll indicated they would prefer to be in a separate school district for charter schools.

• Todd Ziebarth, Vice President of Policy, National Alliance for Public Charter Schools, said authorizing entities needed to be committed to high quality public charter schools and try to ensure their success. Authorizers also needed to have the capacity to approve schools in an effective way and then monitor them in a fair but rigorous way, which would hold them accountable to their charters. He said states had created independent charter boards for a variety of reasons but mainly to provide choice to applicants, particularly if they were in a school district that was skeptical of or hostile toward charter schools. Additionally, school districts have had difficulty adjusting to the idea of school oversight based on performance rather than compliance.

Mr. Ziebarth encouraged Nevada to continue to consider the issue of start-up costs for a newly established board. He suggested a one-time appropriation from the Legislature or withholding a portion of the federal Charter School Program grant for funding the start-up costs. He said another issue for consideration was the funding of any newly created schools.

## OVERVIEW OF NEVADA CHARTER SCHOOLS INCLUDING THE ROLE AND RESPONSIBILITIES OF THE DEPARTMENT OF EDUCATION (DOE)

• Keith W. Rheault, Ph.D., Superintendent of Public Instruction, Department of Education (DOE), presented a packet of information titled "Nevada Department of Education Charter Schools Presentation" (<u>Exhibit F</u>). He reviewed the types of charter schools operating in Nevada and the number of pending applications. He said the DOE needed additional staff to help in special education, auditing, and school data accountability.

Senator Raggio asked Dr. Rheault to comment on the DOE's decision not to approve any more applications.

Dr. Rheault said the intent of AB 168 was to allow the State Board of Education some flexibility. He said he thought the moratorium caused some confusion; the DOE agreed with the Legal Division of the LCB that the law said the DOE shall review applications and they will continue

to do that. He said he thought the moratorium would be lifted once the criteria for approval of applications had been established.

Senator Raggio asked for a definition of temporary.

Dr. Rheault said hopefully before the new applications begin to arrive in the fall.

Senator Raggio said he got the impression that not all members of the Board agreed with that definition.

Senator Cegavske said it was disturbing to legislators when original legislative intent was not adhered to.

Dr. Rheault said the refusals of Clark County School District and Washoe County School District to be sponsors of charter schools signified a bigger problem that should be investigated.

Senator Washington said the discretion afforded the Board should be more clearly defined.

William Arensdorf, Director, Office of Fiscal Accountability, DOE, (referencing Exhibit F) gave an overview of the application process for charter schools, noting all charter applications were submitted first to the DOE. He said if an application was not complete, the developer would be notified and given the opportunity to work with DOE consultants. He said most charter school developers had difficulty meeting the federal and State requirements for special education. Once an application was determined to be complete, the developer presented it to its sponsor. He said the DOE utilized fee money to provide technical assistance to SBE-sponsored schools. The DOE reviewed charter school applications for compliance with applicable statutes and regulations; produced annual progress and compliance reports; produced annual accountability reports; monitoring and technical assistance regarding special education and State-mandated testing; developed policies and procedures for the charter schools; and, when necessary, conducted proceedings for the revocation of charters. He said the revocation process was quite time-consuming. He recommended providing the authorizing board, whether it was the State Board of Education or a newly created board, the resources it needed to function properly. He said staffing needs included a special education consultant, a part-time auditor, a management analyst, a program analyst, and a secretary. He reviewed the charter school activity fees charged for DOE staff and noted Nevada collected those fees after the close of a school year.

Dr. Rheault said charters were paid in quarterly payments just as school districts were but the law required the payment of the fees at the end of a school year, usually in September.

Senator Cegavske suggested that the fees be paid in increments.

Dr. Rheault said quarterly increments would make funds more readily available to the DOE staff.

Dr. Rheault said the DOE was projecting \$152,000 in administrative fees from the five charter schools sponsored by the State this year and plans to go to the Interim Finance Committee (IFC)

in the spring and ask for approval to fill the management analyst position. It will include the other proposed positions in the budget it will submit to the 2009 Legislature.

Senator Washington asked if the moratorium would be lifted if the IFC approved the position.

Dr. Rheault said his recommendation to the Board would be to get one staff position and then establish clear criteria for the approval or denial of charter applications. He said if the DOE had staff similar to that of the Colorado Institute, there would be no moratorium.

Chairwoman Parnell asked how long it took the DOE to review each application.

Mr. Arensdorf said, depending on the completeness of the application, it could take literally hundreds of hours.

Senator Washington asked why the Board had denied the amendment to the charter of Nevada Virtual Academy.

Dr. Rheault said there was no reason given. The amendment did not get the requisite 6 votes for approval. He said the applicant had resubmitted the same application and the matter was set to be heard again at the Board's March meeting.

Senator Raggio said the law required that a denial be based on lack of completeness or lack of compliance and that a reason for the denial be given to the applicant.

### PRESENTATIONS ON ROLES AND RESPONSIBILITIES RELATING TO SPONSORSHIP OF CHARTER SCHOOLS IN NEVADA

Marcia Washington, President, State Board of Education, submitted written answers to questions posed by Senator Washington at the December 13, 2007, meeting of the Legislative Committee on Education (Exhibit G).

Senator Washington asked the State Board of Education's definition of the discretion granted to it by NRS 386.525.

Ms. Washington said the Board had interpreted the revisions to mean that technical completeness and compliance alone did not compel the Board to approve an application; that it had the discretion to approve or deny applications, enabling it to emphasize charter school quality over quantity.

After a discussion between Senator Washington and members of the Board about the terms shall and may, Chairwoman Parnell said if there was a legal question about the terms used in NRS 386.525, the sponsor of the legislation should be allowed to speak to his intent and then if necessary the Committee should ask for a legal opinion.

Anthony Ruggiero, Vice President, State Board of Education, said there were two distinct issues, first, the discussion of the terms "may" and "shall", which was a different issue from the temporary suspension that was put in place by the Board. The Board was in

agreement and the issue of criteria for application denial was set to be discussed at the next Board meeting. He said the Board welcomed the Committee's input on the matter. A draft of the criteria would be provided to the Committee. Secondly, the Board had determined that the moratorium was supported in NRS 386.540 which says the DOE may adopt regulations as it determines are necessary to carry out the provisions of the charter school law and the DOE had indicated it had insufficient staff to process the applications.

Assemblyman Denis said he did not think it was right that applications had to be approved simply because the paperwork had been completed correctly. He said the intent of AB 168 was to give some discretion to the Board regarding the approval of charter applications, however that would require some consistent criteria for denial. He said the Board had not yet established the necessary criteria and had denied the amendment to the charter of Nevada Virtual Academy for arbitrary reasons.

Senator Raggio said it was disturbing to him as both a practical matter and a legal matter that none of the Board members explained why they had voted no on the amended application. He said the Board did not have any adopted regulations setting forth criteria and, in the absence of those criteria, there was a legal issue if the decision made was arbitrary or capricious.

Chairwoman Parnell said everyone would agree that resources would be an issue for any sponsoring board.

Cliff Ferry, Member, State Board of Education, said he was against establishing a separate board for charter school authorizations. He said to do so would continue the fragmentation of State government.

Senator Washington asked the why the Board had not gone to the IFC to request an additional full-time employee.

Keith Rheault, previously identified, said the Board could not identify a funding source and did not have a means to get emergency funding. At the time, the DOE thought it would only have two or three State Board sponsored applications to deal with but when Clark County stopped authorizing charters in October 2007 it meant the Board would have 11 applications. The Board imposed the moratorium in December as a reaction to that.

Anthony Ruggiero, previously identified, said the Board was trying to get the criteria in place so any approvals or denials did not seem arbitrary or capricious. He said Dr. Rheault will submit the draft criteria to the Committee.

Bryn Lapenta, Washoe County School District (WCSD), read from a document titled "Washoe County School District Charter School Sponsorship" (Exhibit H). She said the decision to withdraw the WCSD's application to sponsor new charter schools was predicated on the ongoing commitment of district resources necessary to provide technical assistance and to monitor the instructional programs and educational business requirements of currently sponsored charter schools. Ms. Lapenta said the WCSD supported the creation of a state regulated entity that could more efficiently perform the sponsorship functions that charters need to rely upon to be successful.

- Craig Kadlub, Ed.D, Chief of Staff, Clark County School District (CCSD), said the Nevada Revised Statutes (NRS) and the Nevada Administrative Code (NAC) required thorough and comprehensive oversight of charter schools. He said there were 60 or 70 items that must be monitored for each charter school and then addressed in annual compliance reports. Dr. Kadlub referenced a document titled "Clark County School District Sample Issues" (Exhibit I) and said when complaints were presented by parents or employees, or when issues were discovered during the evaluation process, sponsors were required by the NRS and the NAC to investigate and take appropriate action. He said sponsors should get a level of investment from the State, beyond the per-pupil rate, if the State wanted to see charter schools flourish. He said he considered an institute to oversee charter schools a more efficient use of resources to ensure compliance and expedient approvals.
- Edward Goldman, Associate Superintendent, Education Services Division, Clark County School District (CCSD), said the CCSD Board of Trustees was required to devote an inordinate amount of time addressing legislatively-mandated compliance issues when considering sponsorship of charter schools.
- Feyzi Tandogan, Executive Director, Coral Academy of Science, Las Vegas, gave a brief overview of the history of Coral Academy and then expressed his concerns about start up costs, facility costs, and difficulties in recruiting qualified staff.
- Roy Parker, Elementary and Middle School Principal, AACPA, said the challenge was how to ensure regulation oversight and at the same time acknowledge that charter schools are different from public school district schools. He said having an oversight board that acknowledged the differences and realized charter schools were structured differently than district schools would benefit the sponsors as well as the charter schools.

## DISCUSSION OF POTENTIAL BILL DRAFT REQUESTS RELATING TO CHARTER SCHOOL AUTHORIZATION OF SPONSORSHIP

Chairwoman Parnell said this item will be taken up at a future meeting.

# COMMENTS FROM STUDENTS ENROLLED IN THE ANDRE AGASSI COLLEGE PREPARATORY ACADEMY

(At the direction of the Chairwoman, this item was taken out of order.)

 Roy Parker, previously identified, introduced fifth grader Tyler Duke, eighth grader Brianna Guillory, and eleventh grader Jessica Justy. The students commented on their experiences at the AACPA and responded to questions posed by Committee members.

#### **PUBLIC COMMENT**

No one came forward for public comment.

### **ADJOURNMENT**

There	being no	o further	business	to come	before	the (	Committee,	the m	eeting	was a	ıdjourned	at
4:15 p	o.m.											

	Respectfully submitted,		
	Maryann Elorreaga Senior Research Secretary		
	Carol M. Stonefield, Supervising Principal Research Analyst		
APPROVED BY:			
Assemblywoman Bonnie Parnell, Chairwoman			
Date:			

#### LIST OF EXHIBITS

<u>Exhibit A</u> is the Meeting Notice and Agenda provided by Carol M. Stonefield, Supervising Principal Research Analyst, Research Division, Legislative Counsel Bureau (LCB).

<u>Exhibit B</u> is a document titled "*Nevada Revised Statutes* Charter School Application Process and Authorization," submitted by Carol M. Stonefield, Supervising Principal Research Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit C</u> is a report titled "Considerations in Charter School Authorization and Management," submitted by George Perreault, Ph.D., Professor, Department of Education Leadership, College of Education, University of Nevada, Reno.

<u>Exhibit D</u> is a Microsoft PowerPoint presentation titled "Review of the Colorado Charter School Institute as a Model for Charter School Authorization and Sponsorship," submitted by Keith King, Administrator, Colorado Springs Early Colleges.

<u>Exhibit E</u> is a packet of information regarding the Nevada State Charter School Leadership Team, submitted by Ricci Rodriguez-Elkins, Executive Director, Center for Charter School Development.

<u>Exhibit F</u> a packet of information titled "Nevada Department of Education Charter Schools Presentation," submitted by Keith W. Rheault, Ph.D., Superintendent of Public Instruction, Department of Education (DOE).

<u>Exhibit G</u> is a document containing written answers to questions posed by Senator Washington at the December 13, 2007, meeting of the Legislative Committee on Education, submitted by Marcia Washington, President, State Board of Education.

Exhibit H is a document titled "Washoe County School District Charter School Sponsorship," submitted by Bryn Lapenta, Washoe County School District.

<u>Exhibit I</u> is a document titled "Clark County School District Sample Issues," submitted by Craig Kadlub, Ed.D., Chief of Staff, Clark County School District.