NEVADA STATE BOARD OF EDUCATION
NEVADA STATE BOARD FOR CAREER AND TECHNICAL EDUCATION

May 2 and 3, 2008

Department of Education
State Board Conference Room
700 East Fifth Street
Carson City, Nevada

MINUTES OF THE REGULAR MEETING - May 2, 2008

DRAFT

BOARD MEMBERS PRESENT:
Marcia Washington, President
Anthony Ruggiero, Vice President
Jan Biggerstaff, Clerk
Dr. John Gwaltney, Member
Dr. Cliff Ferry, Member
Sharon Frederick, Member
Barbara Myers, Member
Cindy Reid, Member

BOARD MEMBERS ABSENT:
Dr. Merv Iverson, Member
Greg Nance, Member

DEPARTMENT STAFF PRESENT:
Dr. Keith Rheault, Superintendent of Public Instruction
Gloria Dopf, Deputy Superintendent, Instructional, Research and Evaluative Services
Dr. Jerry Barbee, Director, Office of Teacher Licensure and the Southern Office
Gary Horton, DSA Administrator, NDE
Phyllis Dryden, Director, Office of Career, Technical and Adult Education
Bill Arensdorf, Director, Office of Fiscal Accountability
Frankie McCabe, Director, Office of Special Education, Elementary and Secondary Education and School Improvement Programs
Tom McCormack, Consultant, Office of Fiscal Accountability
Rick Rasmussen, Consultant, Office of Career and Technical Education
Doris Arnold, Executive Assistant to the Superintendent of Public Instruction

LEGAL STAFF PRESENT:
Janet Hess

AUDIENCE IN ATTENDANCE:
Diane Cornwall, Chief Operating Officer, Office of the Governor
Ben Childs, Explore Knowledge Academy (EKA) Charter School
Steve Knight, Executive Director, Silver State High School
Pam Jonidis, Interim Head of Schools, Nevada Virtual Academy
Yvonne Goodson, McDonald Carano Wilson, Nevada Virtual Academy

Kathleen Conaboy, K12, Inc.
Jim Endres, K12, Inc.
Edie Grub, Governing Body President, Silver State High School
Dr. Wendi Hawk, NSHS
Dr. John Hawk, NSHS
Marilyn Sue Ford, University of Las Vegas
Jennifer Caldwell, Washoe County School District
DeShawn Reed, Washoe County School District
Joe Enge, Board Member, Carson City School District
Jennifer Peterson, Carson City School District
Dr. Dotty Merrill, Executive Director, NASB
Laverta Brenchley, Academic Advisor, Nevada Connections Academy
Lorraine Alderman, Clark County School District
Dr. Craig Butz, Executive Director, Odyssey Charter School
Glenn Moses, Assistant Principal, Odyssey Charter School
Jay Rosen, Board member, Explore Knowledge Academy (EKA) Charter School

CALL TO ORDER; PLEDGE OF ALLEGIANCE; APPROVAL OF AGENDA

President Washington called the meeting to order at 3:30 p.m. with attendance as reflected above. She asked those present to join her in the Pledge of Allegiance led by Member Gwaltney. A flexible agenda was moved by Member Biggerstaff, seconded by Member Gwaltney, and approved unanimously.

At this time, President Washington announced agenda item 4 would be heard next.

4. Welcome from the Governor's Office

Diane Cornwall, Chief Operating Officer, Office of the Governor, announced the Governor's representative, Jodi Stephens, was promoted to Legislative Director and would be in attendance at future meetings. They would be working on improving high school graduation rates; turning around low-performing schools; increasing adolescent literacy; preparing and retaining high quality teachers and administrators; expanding on after school and extended learning time; increasing the number of students prepared to enter and graduate from college; and stressing the importance of school community and parent advocacy.

Member Gwaltney expressed concern about budget cuts for education. Ms. Cornwall reported they would make every effort not to cut education, but the budget deficit was so great that both education and social services may experience a budget cut. In response to Member Gwaltney's comments, Ms. Cornwall stated the SAGE Commission would be in effect next Wednesday to offer assistance with restructuring.

Member Biggerstaff expressed concern that there was no K-12 Board member representative on the P-16 Council. Ms. Cornwall replied she did not know if there would be specific representation at this time, but that the Council would not work without representation from the Board.

1. President's Report

- **Update of the Clark County School District Violence in the School Meeting -** President Washington postponed this item until the next meeting.

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2. Superintendent's Report

- **Update of the Legislative Committee on Education Meeting -** Superintendent Rheault reported the last Legislative Committee on Education meeting was held on April 17, 2008. The meeting provided information regarding teacher training, recruitment, mentoring, and licensing. The next meeting would be held on May 22, 2008 and may include information regarding the Youth Risk Behavior Survey (YRBS).

- **Update of the P-16 Council Meeting -** Superintendent Rheault reported funding for the P-16 Council had been dropped including travel, operating, and staff costs. The last meeting discussed the priority of the council which was what needed to be done to improve the college going rate and success of students. It was recommended the first thing to do was to know the entry standards required for students going to college and where twelfth grade standards left off and the alignment between the two. Superintendent Rheault stated he, Dr. Nichols, and Walt Rulffes were charged with providing more information regarding this priority before the next meeting.

  Member Ferry stated it would be interesting to offer remediation classes for college.

  Member Biggerstaff asked if the Millennium Scholarship paid for remediation. Superintendent Rheault reported it does not.

  Member Gwaltney stated it would not make sense to prepare students for the university system if the university system can change their standards. Superintendent Rheault replied that would be a question that would be raised.

  Member Ferry requested that his comments and Member Gwaltney's comments be taken back to the P-16 Council. Superintendent Rheault stated he would note their comments.

  Member Gwaltney stressed the importance of preparing students early for college.

  Member Myers stated an eighth-grade math teacher requested to know if a student can get high school credit if they take algebra during the eighth-grade. Superintendent Rheault reported there were many school districts that do provide high school credit for eighth-grade algebra, but that school districts would need to increase their math curriculum because the Millennium Scholarship will require four math courses during a student's high school career.

- **Update of the 2007 NAEP 8th Grade Writing Results -** Superintendent Rheault reported there were good results. Steady improvement was shown at the eighth grade level. Nevada was still in the same scoring average as California and Arizona because of the amount of non-English speaking students in the state.

Superintendent Rheault reported Nevada was one of six states that have not met assessment requirements with the U.S. Department of Education. The priority listing needed to be corrected so that all standards were taught at the State level. There should also be no eighth-grade questions linked to the high school proficiency exam. Questions would be rewritten to meet standards and would be given to tenth graders next year. Superintendent Rheault also reported the alternative special education assessment should not include functional skills per the agreement. The assessment should be fully implemented by 2009.

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Gloria Dopf, Deputy Superintendent, Instructional, Research and Evaluative Services, reported there was a very productive and exciting Mega Conference last week. She thanked Member Gwaltney for his attendance. A pre-conference was held regarding 21st Century skills students would need in the future. Features of national model schools were identified through the International Center for Leadership in Education. Ms. Dopf stated she would provide a list of the schools that were recognized.

Member Gwaltney thanked staff for their hard work. He stated he enjoyed the technology presentations.

3. Approval of Consent Agenda

A. Approval of Minutes:
- May 4-5, 2007
- June 29-30, 2007

B. Approval of upcoming State Board Member Travel – no travel at this date.

C. Approval of .50 special education discretionary unit as requested by Nye County School District; award 3.75 units to the Clark County School District; and 1.50 units to Washoe County School District with the utilization to be determined by the districts. Also, it is recommended that the Board not award an additional 2.00 units to Silver State Charter High School.

D. Approval of the 2008-2015 Elementary and Secondary textbook adoption lists for the Adoption period of May 5, 2008 to June 30, 2015.

Superintendent Rheault noted that there were only two meeting minutes provided in Board packets for May and June 2007. The remaining meeting minutes were currently under review for approval during the next meeting.

Member Gwaltney moved to approve the Consent Agenda without meeting minutes. Member Frederick seconded the motion. The motion carried unanimously.

5. <u>Time: 4:00 p.m., PUBLIC HEARING</u> and possible Board adoption of Proposed Revision to Regulation Language for independent study, alternative programs and distance education necessitated by NRS legislative changes; NAC 385, 387, 388, and 389 - LCB File No. R134-07

Bill Arensdorf, Director, Office of Fiscal Accountability, explained one more public hearing was being requested to include the technical edits to the NAC.

Rick Rasmussen, Consultant, Office of Career and Technical Education, provided a brief summary of the minor changes in LCB File No. R134-07 which was a combination of AB212 and SB535 passed during the 2007 Legislative session.

Mr. Arensdorf noted “program of adult education” was changed to “Adult High School program” in NAC Section 392.

Member Ferry requested clarification that a program would not have to meet the 180 school day requirement if the program’s completion was equivalent to a regular school curriculum as stated on page 4 of LCB File No.

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R134-07. Mr. Rasmussen stated that was correct. The Superintendent was given the option to approve a competency-based program of instruction that would not require a 180-day calendar.

Member Myers questioned how that option would be provided. Superintendent Rheault explained there was a separate application to submit for an alternative program, but the same number of minutes would be required.

At 4:25 p.m. President Washington opened the public hearing.

Dr. Craig Butz, Executive Director, Odyssey Charter School, clarified charter schools were not included in that alternative scheduling option. Superintendent Rheault stated charter schools were implied in the language, but the language could be amended to include charter schools specifically. Mr. Arensdorf commented that there would not be a problem with adding charter schools to the current language. Dr. Butz expressed his appreciation for the change.

Laverta Brenchley, Academic Advisor, Nevada Connections Academy, read a prepared statement requesting the wording "or parent" be included after the word "pupil" in Section 7 NAC 387.193, subsection 3(b). Superintendent Rheault stated there would not be a problem with changing the wording to read: "pupil, parent, or by a computerized program". Discussion followed regarding tracking school time by a computerized program. It was discussed and decided to change "parent" to "authorized adult". Discussion continued regarding the equivalency to the 180 school day requirement.

Glenn Moses, Assistant Principal, Odyssey Charter School, expressed his support for student learning rather than the length of the school year.

Pam Jonidis, Interim Head of Schools, Nevada Virtual Academy, commented on the application of learning in and outside of the classroom. In response to Member Gwaltney's comments, Ms. Jonidis stated she was not opposed to logging actual time on-line, but she worried about the validity of the data.

Steve Knight, Executive Director, Silver State High School, commented that students tend to finish courses early in distance education programs and that distance education programs were extensively reviewed for approval. He suggested having competency-based programs in the future.

Jay Rosen, Board member, Explore Knowledge Academy (EKA) Charter School, stated collection of data should be based on the parameters of the study being conducted. It could be damaging to a study to mandate how log-on time was measured.

Edie Grub, Governing Body President, Silver State High School, added that, in her opinion, distance education had to be competency-based..

Hearing no further public comment requests, President Washington closed the public hearing at 5:10 p.m.

Member Reid made the following motion, seconded by Member Ruggiero:

> **That the Nevada State Board of Education adopts the new regulations as presented by the Department.**

Discussion followed.

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Member Myers pointed out the State Board can approve an application denied by the Department as stated in subsection 4 on page 139 of Board packets.

The motion carried unanimously.

At 5:10 p.m., President Washington called for a ten-minute break. At 5:25 p.m., the meeting resumed.

Member Ferry requested the record reflect that the last motion included the following changes: to include "charter schools" to subsection 5 on page 123; and, to include "authorized adult" to subsection 3(b) on page 129.

6. <u>Time: 4:15 p.m., PUBLIC HEARING</u> and possible Board adoption of Proposed Revision to Regulation Language for charter schools' trustee changes, university sponsorship and direct sponsorship by the State Board, NAC 386 - LCB File No. R169-07 (*NOTE: This is the first and ONLY Public Hearing with possible action to adopt may be taken.*)

Bill Arensdorf, Director, Office of Fiscal Accountability, reported they requested a public hearing to streamline the process to allow sponsorship from a university or directly from the State Board. Several workshops and another public hearing were held to discuss State Board sponsorship criteria. This public hearing related to only the technical changes in LCB File No. R169-07.

Tom McCormack, Consultant, Office of Fiscal Accountability, explained the changes to sections 2 and 3 on page 162-163 of Board packets was the proposed regulations to describe State Board review of a charter school application that has not been denied by a school district or university. The regulation that addressed the procedure for the State Board review of an application that has been denied was on page 172.

Member Myers requested to know if there should be restrictions on timelines for resubmissions. Mr. McCormack stated it was required by statute. It was discussed and decided to include the word "once" after the word "resubmitted" in Section 2, subsection 3 on page 163 of Board packets to allow for only one resubmission of an application during the thirty days after receipt of written notice of a denial.

Mr. McCormack explained paragraphs on page 167 and 169 were deleted because there was no longer a cap on the number of non at-risk charter schools and at-risk charter schools that could form.

Mr. Arensdorf pointed out Section 14 on page 179 related to an administrator or another qualified person providing information when a school closed and to pay another qualified person to provide that information, and on page 183, subsection 3, prevents representatives from the same organization to make up the majority of a Governing Board.

Member Biggerstaff requested clarification that universities were not providing sponsorships. Mr. Arensdorf stated the Department was not aware of any school applying for sponsorship from a university.

Member Myers requested to know if subsection 3 on page 183 would exclude university staff and provided an example. Mr. Arensdorf explained Ms. Elkin's application was still a viable application and that subsection 3 referred to a Governing Board rather than the Committee to Form the School.

At 5:45 p.m., President Washington opened up the public hearing.

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Steve Knight, Executive Director, Silver State High School, asked if the removal of language regarding at-risk schools would be retroactive. Superintendent Rheault stated that may need to be amended in their charter.

Yvonne Goodson, McDonald Carano Wilson, representing Nevada Virtual Academy clarified the letters submitted by Nevada Virtual Academy and Nevada Connections Academy were only referencing the regulations presented to the Board at today's meeting. She requested the letters be submitted into the record. For the record, Superintendent Rheault reported the two letters submitted were attached to information provided for the next public hearing item. For the record, Ms. Goodson noted she confirmed with Deputy Attorney General Irvin that the letters could be provided as a matter of public comment.

Hearing no further public comment requests, President Washington closed the public hearing.

Member Reid made the following motion, seconded by Member Ruggiero:

> **That the Nevada State Board of Education approves the new regulations with the one change regarding adding one resubmission within the thirty days.**

The motion carried unanimously.

7. <u>Time: 4:30 p.m., PUBLIC HEARING</u> and possible Board adoption of Proposed Revision to Regulation Language for State Board approval/denial criteria for State Board sponsorship of charter schools, NAC 386 - LCB File No. R-061-08 (*NOTE: This is the first and ONLY Public Hearing with possible action to adopt may be taken.*)

Member Biggerstaff requested the item be pulled from the agenda so a subcommittee could meet with charter schools for further discussion on this issue. Member Reid disagreed because the State Board was the Governing Body. Superintendent Rheault explained the issue could be referred to a committee after the public hearing was completed.

Member Ruggerio requested to know how long this issue has been worked on. Mr. Arensdorf reported the process first began in September 2007. A workshop was held shortly thereafter with another one in December. In January, a public hearing was held that provided direction to staff. Another workshop was conducted in March 2008.

For the record, Member Ferry stated the Board was being criticized for not coming up with regulations earlier.

Superintendent Rheault pointed out regulations adopted by the Board would not go into effect until the regulations were presented to the Legislative Commission. He reviewed the Legislative Commission process.

Mr. Arensdorf reviewed the proposed revision to the regulation language that would provide criteria for State Board sponsorship.

Member Biggerstaff asked if there was language that required a business plan to be submitted. Mr. Arensdorf stated language for that could be added under Section 4. He pointed out a financial plan was already a requirement. Member Biggerstaff pointed out a business plan regarded goals.
Discussion followed about action that could be taken by the Department if false information was provided on applications and no correction was forthcoming from schools.

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In response to Member Biggerstaff's comments, Member Ruggerio pointed out how a business plan and financial plan were synonymous, according to Deputy Superintendent Jim Wells.

Member Ferry briefly commented that, in his opinion, a business plan and financial plan were a little different. He requested that "sound scientific research" be changed to "sound evidence" in subsection 3(c) on page 196 of Board packets. Member Gwaltney expressed concern with the use of the word "sound" because it cannot be defined. Superintendent Rheault agreed with Member Ferry because evidence could be defended more than scientific research. Member Ruggerio suggested removing the word "sound" because it was not a legal term.

At this time, President Washington opened up the public hearing.

Steve Knight, Executive Director, Silver State High School, expressed approval of the proposal.

Hearing no further public comment requests, President Washington closed the public hearing.

Member Reid made the following motion, seconded by Member Ruggerio:

> **That the Nevada State Board of Education adopts the proposed new regulations for criteria to be used by the State Board in assessing the viability of charter school applications and to make the propose change requested by Member Ferry of "sound scientific research" to "evidence" in subsection 3(c).**

Discussion followed.

Member Myers requested that specific requirements be provided. She suggested omitting the following items or words because of their ambiguity: subsection 3(a) on page 196; "unbalanced budget" in item (c) on page 197 and item (e) on page 197; "uncooperative" in subsection 5(a) on page 197; and, "in any other state" in subsection 5(b) on page 197. She expressed concern that past performance in Nevada should be included in subsection 5. She suggested excluding the duplication and proximity of a public school in subsection 8 on page 198. She also suggested insufficiency should include how that would be measured in subsection 9 on page 198. She commented that the success of a school depends on the students.

Member Reid explained the Department would define items that were too general with each application.

Member Ruggiero pointed out the regulations proposed could be adopted and revisited at a later date.

Member Biggerstaff stated she agreed with Member Myers' corrections, but reminded the Board that LCB would provide their own revisions.

Member Ferry requested to know if the Board needed to review Member Myers' corrections. President Washington stated the vote would determine if corrections needed further review.

The following roll call vote was taken:

Member Ruggiero - yes
Member Biggerstaff - yes
Member Gwaltney - yes
Member Ferry - yes

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Member Frederick - yes
Member Myers - no
Member Reid - yes
President Washington - yes

The motion carried with one opposition.

8. Approval of Jan Biggerstaff to be appointed as a Member of WestEd Board of Directors beginning on June 1, 2008 and ending on May 31, 2011

Barbara Myers moved to appoint Jan Biggerstaff as a member of WestEd Board of Directors. Anthony Ruggerio seconded the motion. The motion carried unanimously.

9. Approval of Revisions to the 2008 Board Appointments

President Washington announced Member Ferry would be replacing Member Ruggiero on the Subcommittee of K-12 Governance. Member Reid suggested Member Gwaltney as the alternate to the Subcommittee on Charter Schools.

Member Ruggiero made the following motion, seconded by Member Frederick:

> **That the Nevada State Board of Education approves the revisions to the 2008 Board Appointments to include Member Ferry on the K-12 Governance Committee and Member Gwaltney as an alternate on the Subcommittee for Charter Schools.**

The motion carried unanimously.

10. Approval of National University Program Request for Teacher Education

Dr. Jerry Barbee, Director, Office of Teacher Licensure, reported approval was being sought to allow the National University in Las Vegas to offer at the undergraduate level a Bachelor of Arts in Elementary Education, a Bachelor of Arts in Secondary Education Major in English; and, a Bachelor of Arts in Mathematics.

Member Gwaltney requested to know if branches around the state could be established once the request was approved. Dr. Barbee replied they would have to come back to request approval to do that.

Member Gwaltney made the following motion, seconded by Member Biggerstaff and Member Frederick:

> **That the Nevada State Board of Education approves the request.**

Discussion followed.

Member Ferry commended the review process.

The motion carried unanimously.

At 6:55 p.m. President Washington recessed the meeting to reconvene at 8:30 a.m. on Saturday, May 3, 2008.

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MINUTES OF THE REGULAR MEETING, May 3, 2008

BOARD MEMBERS PRESENT:
Marcia Washington, President
Anthony Ruggerio, Vice President
Jan Biggerstaff, Clerk
Dr. John Gwaltney, Member
Dr. Cliff Ferry, Member
Sharon Frederick, Member
Barbara Myers, Member
Cindy Reid, Member

BOARD MEMBERS ABSENT:
Dr. Merv Iverson, Member
Greg Nance, Member

DEPARTMENT STAFF PRESENT:
Dr. Keith Rheault, Superintendent of Public Instruction
Gloria Dopf, Deputy Superintendent, Instructional, Research and Evaluative Services
Dr. Jerry Barbee, Director, Office of Teacher Licensure and the Southern Office
Phyllis Dryden, Director, Office of Career, Technical and Adult Education
Bill Arensdorf, Director, Office of Fiscal Accountability
Frankie McCabe, Director, Office of Special Education, Elementary and Secondary Education and School Improvement Programs
Tom McCormack, Consultant, Office of Fiscal Accountability
Jim Wells, Deputy Superintendent, Office of Fiscal Services
Gary Horton, DSA Administrator, NDE
Robert Pauley, NDE
Rick Larson, NDE
Andrea McCalla, NDE

LEGAL STAFF PRESENT:
Dr. James E. Irvin, Deputy Attorney General

AUDIENCE IN ATTENDANCE:
Pam Jonidis, Interim Head of Schools, Nevada Virtual Academy
Yvonne Goodson, McDonald Carano Wilson, Nevada Virtual Academy
Dr. Dotty Merrill, Executive Director, NASB
Vickie Frazier-Williams, Imagine Schools
Ron Grogan, 100 Black Men of Las Vegas
Shaundell Newsome
Scott Reynolds, Clark County School District
Gus Flanges, Imagine Schools
Allison Wallace, Imagine School at Mountain View
Jessica Marsh, Imagine Schools
Patty Knight, Silver State High School
Steve Knight, Executive Director, Silver State High School

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Michael Robison, Insight Schools
Dr. Bryn Lapenta, Washoe County School District
Karen Tatcher, Chairperson, Special Education Advisory Committee
Gary Waters, Co-Chair Committee to Form, Insight School of Nevada
Mike Robson, Co-Chair Committee to Form, Insight School of Nevada
Roger Hanley, Insight Schools, Inc.

RECALL TO ORDER; ROLL CALL; PLEDGE OF ALLEGIANCE

President Washington recalled the meeting to order at 8:30 a.m. with attendance as reflected above. The Pledge of Allegiance was conducted led by Member Reid.

11. Approval of the 2008-2009 State of Nevada Out-Of-Service Criteria

Gloria Dopf, Deputy Superintendent, Instructional, Research and Evaluative Services, reported the request was to approve the 2008-09 State of Nevada Out-of-Service criteria based on the *Commercial Vehicle Safety Alliance Out-of-Service Criteria* document. She stated the document was created by the Highway Patrol and District Transportation staff. Superintendent Rheault added there was one hundred percent agreement on the document and that he did not know of any concerns with the changes that were made.

Member Reid made the following motion, seconded by Member Frederick:

> **That the Nevada State Board of Education approves the changes to the State of Nevada Out-of-Service Criteria.**

The motion carried unanimously.

12. Discussion and possible action on the agency budget request for the 2010-2011 biennium and the submission of agency bill draft requests to the Department of Administration

Jim Wells, Deputy Superintendent, Office of Fiscal Services, provided an overview on the biennium budget process. He reported the majority of Department funding goes to schools. The majority of Department revenue comes from the State's general fund.

Member Gwaltney requested to know if the Department was dipping into the "pork barrel". Mr. Wells stated he was not sure how to answer that, but Federal funding has increased substantially. The Department does not receive direct appropriations similar to what Member Gwaltney was referring to. Member Ferry reported he received a call from the U.S. Department of Education about earmarks for technology upgrades in five rural counties: Elko, Churchill, Lyon, Douglas, and Nye Counties. Member Gwaltney stated he strongly encouraged the Department to prepare earmark requests.

Mr. Wells continued with his overview of the biennium budget process. He reported the agency request was due on August 29, 2008. It was comprised of three components: the base budget calculated by the amount of expenditures during the current fiscal year; maintenance; and, enhancements. He reported the budget process had changed to allow a review of inflation indicators as they relate to various line items of school district budgets. It also allowed for the Department to consider enhancements. Lastly, the Department prepares a comparison of the agency's requested budget to what was recommended by the Governor.

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Superintendent Rheault pointed out the Department can now inquire about items that had been cut from the budget by the Governor whereas before it had been prohibited. Discussion followed regarding if the distribution of funding had been reviewed at the school district level.

Mr. Wells reviewed the items listed on page 278 of Board packets that were impacted by budget reductions.

Member Myers requested to know if school districts received any funding from the 2008-09 remediation grant. Mr. Wells reported several districts received a portion of remediation funding and that only two school districts were returning consortia funding. Superintendent Rheault pointed out school districts were approved for two-year funding, but they did not receive the full two-year funding all at once. The funding being returned was the allocation that was received this year, but the sub-grants have not been cut for next year. Frankie McCabe, Director, Office of Special Education, Elementary and Secondary Education and School Improvement Programs, clarified school districts had access to 100% of funding this year. The issue of a shortfall was for year one only.

Mr. Wells reported the budget reductions for for school districts for fiscal year 2008 were a little over $25 million and a little over $4 million for fiscal year 2009. The current biennium shortfall was $915 million and could increase. He cautioned that the new projection for next year's budget biennium would be approximately $400 million less per year than what was budgeted. Mr. Wells reviewed enhancements and stated enhancements were in order that they were received.

Member Biggerstaff asked about the position of Board secretary. Mr. Wells reported the position of Board secretary was already frozen in November and should be approved in the upcoming budget.

Member Reid requested information about charter school positions. Mr. Wells stated they have asked from interim finance a management analyst and that the position would be funded through charter school fees. He reviewed Department decisions regarding the budget listed on pages 262-264 of Board packets.

Gloria Dopf, Deputy Superintendent, Instructional, Research and Evaluative Services, clarified there was a slight increase in licensure fees. She explained Title 5 regarding innovation and technology as well as other such titles have been eliminated due to the current budget deficit.

Member Gwaltney requested clarification that DSA (Distributive School Account) funding would be reduced if local growth pays for itself. Mr. Wells explained the DSA was comprised of local sales tax revenue; one-third operating property tax; and one-third basic support guarantee. Superintendent Rheault noted that this year the State would have to provide $172 million for fiscal year 2009 due to the budget deficit.

President Washington requested to know if staff positions would be replaced. She also asked about the purpose of the rainy day fund and when it can be utilized. Superintendent Rheault stated staff positions would be determined by the hiring freeze. Mr. Wells stated there were statutory provisions in which the rainy day fund could be accessed. State revenues would have to fall by approximately five percent before the fund could be utilized. The Governor has proposed all but $1 million would be utilized from the rainy day fund.

Member Ferry requested clarification about high school proficiency exam costs. Ms. Dopf reported there were inflationary costs to the contract itself. Additionally, they were instituting a requirement for the science exam. Member Ferry expressed concern that future funding to combat the increase in non-English speaking students would come from funding for teachers.

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Member Biggerstaff asked what Leveraging Educational Assistance Partnership was on page 270. Mr. Wells replied it was student incentive grant scholarships. Member Biggerstaff asked what Project Promises was on page 271. Ms. McCabe reported it was a Special Ed grant that would be implemented over a six-year period. It would provide information and training for teachers. The majority of funding would support response intervention systems around the state that would identify students with specific learning disabilities. Member Biggerstaff requested to know why Hurricane Relief for Clark County was included on page 272. Mr. Wells reported it was a Federal grant that assisted with the relocation of students from Hurricane Katrina and Hurricane Rita.

Member Gwaltney commented that law and policy issues should be discussed rather than enhancements. Superintendent Rheault noted that an Invest Plan draft may be presented in June that would address restoring the base amount and then building on that base.

Member Ruggiero requested to know if they had the upper hand in the budgetary process since funding education had to come first. Mr. Wells replied no. He stated it could even hurt education funding when budgets were tight. He clarified the latest budget information received from the Federal Government was used for upcoming bienniums. The CTE was slated for elimination during the next biennium.

President Washington requested to know if charter schools were not allocated any funding for library books as listed on page 276. Mr. Wells stated that was correct. President Washington asked why charter schools did not receive funding for library books. Superintendent Rheault reported funding for library books was based on student enrollment therefore most of the smaller school districts did not qualify for funding, either.

Mr. Wells reported non-budgetary Bill draft requests were due to the Department of Administration by May 1st, but an extension was granted to the State Board for their action to Monday, May 5, 2008. The first Bill draft request was for the elimination of the statutory requirement for school districts to publish a list of expenditures in newspapers. The second bill draft request eliminates duplicate requirements and revises the way a trustee is appointed if a charter school has their charter revoked.

Member Reid pointed out charter schools were charging students for textbooks and asked if that was reflected in the chart on page 276. Mr. Wells stated he had not heard of that and that it should not be done. Superintendent Rheault clarified one charter school had been doing that, but that it was corrected and the funding was returned.

President Washington requested to know if funding for library books for charter schools could be included in the Bill draft requests. Superintendent Rheault explained there would be an opportunity for the Board to submit fiscal-related Bill drafts with the budget. Mr. Wells stated another alternative would be to request that charter schools be allocated funding for that purpose when the budget was presented to the Legislature.

Member Ferry announced he would again request salary increases for the three top Department heads.

Mr. Wells reported there were two other requests for technical corrections after the Bill draft was submitted: 1) to collect charter school fees quarterly rather than annually; and, 2) an amendment to 386.5515 to allow for monitoring to occur during a three-year cycle and to prevent a charter school from having that monitoring waived if their performance no longer meets criteria. Superintendent Rheault stated he may put in place a placeholder to clarify Special Ed statutes. Discussion followed about Board input into Bill draft requests.

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Member Biggerstaff made the following motion, seconded by Member Frederick:

> **That the Nevada State Board of Education accepts the proposals as amended brought forward including a placeholder for the Board to have its own Bill Draft to go through the Governor's Office and for a placeholder for Special Education.**

The motion carried unanimously.

At this time, President Washington announced there would be a ten-minute break. At 10:30 a.m., the meeting resumed.

13. <u>Time: 10:00 a.m., WORKSHOP</u> to solicit comments to NAC, Chapter 388 - Modification of Existing Sections: 388.150.8 Maximum number of cases per teacher in unit; maximum size of class; exceptions; 388.195 Transfer of rights to pupil who attains age of majority; 388.380 Assessment of performance in current education setting; 388.387 Eligibility of pupil with autism; 388.390 Eligibility of pupil with hearing impairment; 388.395 Eligibility of public with visual impairment; 388.400 Eligibility of pupil with orthopedic impairment; 388.402 Eligibility of pupil with health impairment other than orthopedic impairment; 388.405 Eligibility of pupil with speech and language impairment; 388.407 Eligibility of pupil with traumatic brain injury; 388.410 Eligibility of pupil with mental retardation; 388.415 Eligibility of pupil with emotional disturbance; 388.420 Eligibility of pupil with specific learning disabilities; 388.430 identification of certain pupils with developmental delays

Frankie McCabe, Director, Office of Special Education, Elementary and Secondary Education and School Improvement Programs, reported changes to NAC 388 language included: allowing a parent to retain the IDEA rights of their special education student to participate in program development; observation requirements for students with special learning disabilities for Occupational Therapy/Physical Therapy (OTPT); and, a technical correction to the State Code to align with the Federal requirement for identifying students with disabilities.

Member Myers suggested including the following wording for NAC 388.150 regarding OTPT: "but not limited to" at the end of 8(a) on page 295 and "whether they are" before the word "employed" in item 8(c).

President Washington asked for a description of autism and how many students in school districts were diagnosed as autistic. Ms. McCabe stated she could present information on the issue at the June meeting. She reported school districts do not diagnose autism, but identify autism through certain behavioral characteristics.

Board member Biggerstaff thanked Ms. McCabe for her information.

Ms. McCabe reported proposed changes to NAC 388.195, Transfer of Rights, would notify parents not less than a year before their child turns 18 that they still had the option of retaining educational rights when their child turns 18 if the child has a disability with cognitive impairments and participates in the state alternate assessment. It also listed the criteria for retaining those rights. The school district had thirty days to respond to a parent's request. If a request was denied, the parent can access the State Special Education complaint process for an investigation into the denial. The rights could be retained until the pupil ages out or graduates or until the parent decides those educational rights should be given to their child. The rights were very specific to IDEA. Ms. McCabe also reported the cross-reference to the other requirement was omitted in the Observation Requirement. Lastly, Special Education eligibility requirements were clarified.

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Member Myers questioned the use of the word "and" in the proposed revision to NAC 388.387, item 1. Ms. McCabe reported the phrase was taken out of the IDEA.

At 11:00 a.m., President Washington opened up discussion to public comment.

Karen Tatcher, Chairperson, Special Education Advisory Committee (SEAC), stated she was also the Executive Director of Nevada PEP, which was the parent training and information center designated by the Federal Government to assist families who have children with disabilities. She stated she was in attendance to let the Board know of SEAC and PEP's support of the proposal.

Hearing no further public comment requests, President Washington closed public comment.

14. Discussion and possible recommendation from the Subcommittee on Charter Schools to approve or deny a Subsection 7 Charter for Insight School of Nevada
A. The Subcommittee may make recommendations about the completeness and compliance of the application. Although Department reviewers have found the application to be mostly complete and possibly compliant, clarification is needed on 1) a complete and accurate budget; 2) the employment status of the school's administrator; and 3) the stare up costs provided by the EMO "Insight Schools, Inc." The Subcommittee may make recommendations about whether or not a NRS 376.527 Subsection 7 Charter should be granted and possible conditions related thereto.
B. Department staff will have the opportunity to present information and evidence similar to that presented to the Subcommittee about the completeness and compliance of the application. Department staff will have the opportunity to present information and evidence about whether or not a NRS 376.527 Subsection 7 Charter should be granted and possible conditions related thereto.
C. Representatives of Insight School of Nevada will have the opportunity to present information and evidence about the completeness and compliance of the application. Representatives of Insight School of Nevada will have the opportunity to present information and evidence about whether or not a NRS 376.527 Subsection 7 Charter should be granted and possible conditions related thereto.
D. The Board will discuss and possibly make a decision concerning: 1. Whether or not the application is complete and compliant; and 2. Whether or not a NRS 376.527 Subsection 7 Charter should be granted and possible conditions related thereto. The possible recommendations should be based upon findings of fact (reasons for its decisions) and conclusions of law (the decisions), separately stated. Findings of fact and recommendations must be based upon substantial evidence presented at the hearing.

If the State Board denies an application, it shall include in the written notice the reasons for the denial and the deficiencies in the application. The applicant must be granted 30 days after receipt of the written notice to correct any deficiencies identified in the written notice and resubmit the application. The State Board findings of fact (reasons for its decision) should be sufficient to provide notice of the reasons for the denial, if denial is the decision.

Jim Wells, Deputy Superintendent, Office of Fiscal Services, reported the Subcommittee on Charter Schools recommended approval of the application and that the applicant agreed to the conditions placed by the Department for the Subsection 7 conversion to a full charter. Department concerns included obtaining a facility for the charter school and insurance for the facility. Department conditions included: submitting a revised budget with a cash flow document that balance and treat like items the same; to provide substantiated documentation and calculations that were used in the creation of their budget; to identify the school administrator and whether that person would be an employee or a contracted employee; to provide substantiated documentation and calculations for the pre-opening budget and explaining the difference between the pre-

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opening budget submitted and the pre-opening budget mentioned to the Board as well as inconsistencies in information provided to the Board and the Department that were different that information submitted in the application; and, to provide a contingency plan if enrollment projections do not materialize or if costs were more than what was projected for enrollment.

Bill Arensdorf, Director, Office of Fiscal Accountability, added they wanted clarification of the status of the Principal and the Executive Director. The Executive Director must also be a resident of Nevada. The facility also needed to be inspected before a recommendation can be made to a full charter and that required insurance conditions have been met including an affidavit from an insurance company.

Member Biggerstaff requested clarification that the Board's action today was just to approve a Subsection 7 Charter. Mr. Arensdorf replied yes. A Subsection 7 Charter would allow the school to begin accepting donations for the school, but it does not give the school the authority to begin enrolling students or to draw DSA funding. Member Biggerstaff requested to know the difference between a business plan and a financial plan. Mr. Wells stated a business plan and a financial plan get used interchangeably, but the financial plan in the application was a small piece in the overall business plan. Member Biggerstaff asked if the school was eligible to receive Federal funding. Mr. Arensdorf reported Federal funding was made available to the school, but they declined the funding. He noted this was the last year of the three-year grant. The Department has reapplied for another three-year grant of which the school would still be eligible to receive.

Gary Waters, Co-Chair Committee to Form, Insight School of Nevada, introduced himself, Mike Robison, Co-Chair Committee to Form, Insight School of Nevada, and Roger Hanley, Insight Schools, Inc. He stated they agreed with Mr. Well's comments and would be in compliance with Department conditions. They would meet with Mr. Wells on Thursday to resolve the budget items. They were also days away from obtaining a facility for the school.

Mr. Robison stated the charter school would assist at-risk students and drop-outs. They opted to wait on finding an Executive Director and a Principal for the school before the charter was granted. He assured the Principal and the Executive Director would reside in the Las Vegas area. They would resolve who the Principal and Executive Director would be next week with Tom McCormack and if there was a PERS issue or a non-PERS issue.

Mr. Hanley reported $600,000 was granted to the Committee to Form from Insight Schools, Inc. He stated there was no obligation on the part of the State for that funding. The funding was used to facilitate the application process with such items as travel costs, legal fees, etc. A written statement would be provided that there was no obligation on the part of the State for the funding granted to the Committee to Form.

Member Biggerstaff requested a copy of the school's budget. She expressed concern that the school would assist at-risk students, but offered no vocational education. It was reported the school would provide students with a 21st Century education that would include technological vocational programs.

Member Ferry expressed concern with the instructional model for at-risk students. Mr. Hanley reported their model would support students through I-mentors who would review daily progress reports and activities of students. 24/7 tutoring assistance would also be available. Mr. Waters stated there were also community resources that could be used i.e. psychological resources. Mr. Robison commented on the importance of being successful in helping at-risk students.

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Member Ruggiero stated he wanted more information regarding the marketing for the at-risk student demographic. He also expressed concern with how the school would reach fifteen school districts with only one facility and asked if there could not be a northern facility. Mr. Hanley reported part of their instruction would include a requirement for students to demonstrate accountability by attending live sessions on-line which would replicate a face-to-face classroom situation. A northern facility was possible for face-to-face interaction. Regarding the marketing strategy, they would make the school known through various program contacts, but they would not call the school an at-risk school. It was anticipated the school would also provide services to students who perform at a high level for dual credit courses or advanced placement. Mr. Waters stated he was also recommending the Governing Board have an individual on the Board with a certain area of expertise. He would also recommend that a CPA be on the Governing Board.

Member Reid requested to know how universities would assist students in rural counties with mental health issues. Mr. Waters explained how that assistance would be provided through rural clinics. In addition, universities would offer screening dates.

Member Gwaltney requested to know why Federal funding was not being used. Mr. Waters explained he did not want to accept funding that would have to be paid back, but that they would be seeking out grants for such things as behavioral services.

Member Ferry requested to know if all Insight Schools assisted at-risk students. Mr. Hanley reported the demographics for the other states showed at-risk students were the highest need, but that Nevada would be the first state where an Insight School would state they were assisting at-risk students.

Member Frederick requested to know if they had networked with the Nevada Public Education Foundation and their "Ready for Life" program that addressed at-risk or drop-out students. Mr. Waters stated he worked closely with them in another capacity and that it could be a resource to use at a future date. Mr. Robison spoke of his previous involvement with the organization.

Member Myers requested clarification of the relationship between Insight Schools and the University of Phoenix. Mr. Hanley explained there was not a direct link to the University of Phoenix, but that Insight Schools and the University of Phoenix were "sister" companies owned by the same company. Mr. Robison explained his previous employment and contact with the University of Phoenix.

Member Reid reported the Subcommittee on Charter Schools voted two to one to approve the Subsection 7 Charter with the Department conditions. She stated she was the opposing vote and explained her concerns regarded the $1.3 million that would go to the charter school if the charter was approved. Member Myers called for a point of order that the Chair of the Subcommittee was only to provide the Subcommittee's recommendation to the Board. She stated for the record that the recommendation from the Subcommittee was to approve the Subsection 7 Charter. Discussion followed as to whether Member Reid was speaking as Chair of the Subcommittee or as a State Board member. Deputy Attorney General Irvin reported the Parliamentarian process could not contradict the Open Meeting Law process therefore Member Reid was allowed to voice her concerns as a matter of law.

Member Reid expressed concern with the financial package of on-line schools. She stated a minor concern was the unprofessionalism of the applicant's behavior during the last meeting with not following proper channels in the Department and with not providing required documentation.

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Member Biggerstaff requested to know Mr. McCormack's recommendation. Tom McCormack, Consultant, Office of Fiscal Accountability, reported the Department's recommendation was to approve the request for the Subsection 7 Charter with the conditions as discussed during this item.

Member Ruggiero requested to know if a motion to approve the Subsection 7 Charter was made, would conditions have to be delineated. Deputy Attorney General Irvin reported the conditions would be delineated within the charter. Mr. Arensdorf reported there would be a charter drafted as a result of what occurs during this meeting. If the Board approves the Subsection 7 Charter, the conditions would be incorporated into the charter.

Member Gwaltney agreed with Member Reid's concerns. Member Biggerstaff stated she shared Member Gwaltney and Member Reid's concern regarding the budget.

Member Biggerstaff made the following motion, seconded by Member Frederick:

> **That the Nevada State Board of Education grants a Subsection 7 Charter to Insight School of Nevada with Department conditions.**

The motion carried with one opposition from Member Reid.

15. Discussion and possible recommendation from Subcommittee on Charter Schools to approve or deny a NRS 376.527 Subsection 7 Charter for the Imagine School at Las Vegas Charter School Application
A. The Subcommittee may make recommendations about the completeness and compliance of the application. Although Department reviewers have found the application to be mostly complete and possibly compliant, other concerns about the school have arisen along with serious deficiencies discovered in the proposed contract between the governing body and the EMO, "Imagine Schools". The Committee to Form the School stopped communicating with the Department about October 30, 2007, and did not respond to Department inquiries about continuing issues with the EMO contract. The Subcommittee may make recommendations about whether or not a NRS 376.527 Subsection 7 Charter should be granted and possible conditions related thereto.

The Department recommendation to the Subcommittee was for denial of the application for the following reasons:
1. Department reviewers identified concerns with the proposed Operating Agreement between the charter school and the EMO "Imagine Schools, Inc."
2. The Committee to Form the School did not respond to Department inquiries about conditions in the proposed contract between Imagine School at Las Vegas and the EMO, "Imagine Schools".
3. The proposed contract appears to enable the Chief Financial Officer (CFO) to act as a fiduciary advocate for the contractor rather than the school.
4. The proposed contact appears to tie the hands of the governing body into a forced operation with the contractor having powers that remove authority from the governing body.
5. The two year budget submitted by the school as required by NAC 386.180 (4) does not appear to contain realistic expectations or sound and accurate estimates of expenditures for operation in the Clark County market for various reasons. Additionally, the school failed to provide a statement of cash flow as required by the NAC.
6. Past performance of the EMO contractor with One Hundred Academy of Excellence has resulted in serious deficiencies discovered by Department staff in completing State oversight of public schools.

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7. Past performance of this EMO contractor with One Hundred Academy of Excellence and its sponsor, Clark County School District, has resulted in serious deficiencies noted in the sponsor's annual review with noncompliance findings in several areas.
8. Past performance of this EMO contractor in other states has resulted in publicly reported deficiencies including debt of the school(s), control of school(s) by the contractor rather than a public entity, and lack of proper control for financial management insuring tax payer dollars are being appropriately spent.

B. Department staff will have the opportunity to present information and evidence similar to that presented to the Subcommittee about the completeness and compliance of the application. Department staff will have the opportunity to present information and evidence about whether or not a NRS 376.527 Subsection 7 Charter should be granted and possible conditions related thereto.
C. Representatives of Imagine School at Las Vegas will have the opportunity to present information and evidence about the completeness and compliance of the application. Representatives of Imagine School at Las Vegas will have the opportunity to present information and evidence about whether or not a NRS 376.527 Subsection 7 Charter should be granted and possible conditions related thereto.
D. The Board will discuss and possibly make a decision concerning: 1. Whether or not the application is complete and compliant; and, 2. Whether or not a NRS 376.527 Subsection 7 Charter should be granted and possible conditions related thereto. The possible recommendations should be based upon findings of fact (reasons for its decision) and conclusions of law (the decision), and separately stated. Findings of fact and recommendations must be based upon substantial evidence presented at the hearing.

If the State Board denies an application, it shall include in the written notice the reasons for the denial and the deficiencies in the application. The applicant must be granted 30 days after receipt of the written notice to correct any deficiencies identified in the written notice and resubmit the application. The State Board findings of fact (reasons for its decision) should be sufficient to provide notice of the reasons for the denial, if denial is the decision.

Tom McCormack, Consultant, Office of Fiscal Accountability, reported there were problems with the application relating to the proposed operating agreement between the EMO and the school, past performance of Imagine Schools both in Nevada and elsewhere, and the proposed budget. He also stated Imagine Schools, Inc., the EMO, must also be considered by the Board given the extensive array of educational and financial services they would provide to Imagine School at Las Vegas.

Jim Wells, Deputy Superintendent, Fiscal Services, reported a cash flow statement had not been provided, which is required under NAC. There was not sufficient detail in supporting documentation to justify expenditures, which was necessary to determine if reasonable estimates were used. The budgetary documents listed entry-level teacher salaries at $33,000, which may make recruitment difficult since the average starting salary in Clark County is a little over $37,000. The expenditure portion of the budgetary document was identical to the budget submitted for Imagine School at Mountain View, but the difference between enrollments at the two schools was 175 students. The school would not be eligible under the terms of the agreement for operating advances if they receive $250,000 from the EMO for start-up costs. The January 29th submission included a proposed lease agreement that would house only 150 students which was far short of the budgeted first year enrollment of 325 students and no explanation of how long they would be in the facility or how the budget would be amended to account for the decrease in the enrollment. The lease was also identical to the lease submitted for Imagine School at Mountain View. The Department would want to ensure that the Corporate Financial Educator hired by the EMO understood and was well-versed in Nevada Law and regulations and received Department training. The reserves and ending fund balance seemed excessive when compared to other

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charter schools in other school districts. Imagine School at Las Vegas had a 13% ending fund balance in the first year and 23% in the second year.

Gary Horton, DSA Administrator, Department of Education, reported the EMO failed to submit further responses when asked to do so to Department concerns after October 30, 2007. The Department's objections to the EMO contract were as follows: 1) violation of the State's Procurement Laws; leasing payments were also used as another EMO fee; 2) non-specified fee structure and an objectionable 4% overhead fee and contract prioritization of school expenditures favoring repayment of the EMO fees and lease payments; 3) inappropriate EMO expenditure authority bypassing the Governing Body's responsibility and authority; 4) use of advance funding from the EMO and it's incorporation into a balanced budget for the school; 5) contract emissions on hiring and reporting to the school's Principal and CFO were Department concern because of prior conflicts of interest with this EMO and it's charter 100 Academy of Excellence, which resulted in deficits and debts owed to the EMO. Mr. Horton commented on the EMO and the charter school's lack of following NRS Chapter 332 Local Government Purchasing Act.

Mr. Arensdorf reported the Department's recommendation to the Subcommittee on Charter Schools was for denial of the application. He reviewed the Department's findings of fact for the denial as listed on page 317 and 318 of Board packets.

Member Biggerstaff requested to know if Federal funding had to be returned if the State Board granted a Subsection 7 Charter, but the school did not return for a full charter. Mr. Arensdorf reported the school could retain the funding. The funding was used to develop and plan a viable school. The Department would attempt to reclaim funds if the funding was inappropriately spent.

Mr. McCormack reported January 30th referred to the date that the re-submission was received by the Department. He reported the application was first received on September 1, 2007 which included a draft contract. The Department responded on September 24, 2007 with concerns regarding the contract. The school re-submitted a reply on October 23, 2007 which included a draft contract. The Department responded again on November 15, 2007. The school re-submitted their application on December 17, 2007. On January 9, 2008, the Department responded by stating that there was no longer any response to their concerns from the school in the last re-submission. Discussion followed about the completeness and compliancy of the application.

Ron Grogan, Secretary, 100 Black Men of Las Vegas, read a letter on behalf of Tamara Butler, Liaison, Imagine Schools, regarding the need for Imagine Schools.

Vicki Frazier-Williams, Regional Vice President, Imagine Schools, stated a part of Imagine Schools' expectation was to financially support a charter school for the first two to three years. She reported start-up costs could be substantiated. She commented on how she was not been able to assist with providing information since the Department would not communicate with her because she was part of the EMO. She invited the Board to visit their 50,000-square foot facility that Superintendent Rheault and Mr. McCormack toured a year ago. She requested Imagine Schools be allowed to prove they were a good partner. She commented on how they have tried to comply with Nevada Law.

Discussion followed regarding concern that representatives from the Committee to Form were not in attendance at today's meeting. Mr. McCormack explained the Committee to Form was asked to appoint a Liaison between the Committee to Form the School and the Department of Education as part of the charter school application and that proposed contractors were asked not to be on the Committee to Form the School. He pointed out the comments beginning on page 326 were comments that the Department did not receive a response to and that he

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had pointed this out to the School's Liaison, Tamara Butler, in February 2008. Gus Flangas, Attorney, representing Imagine Schools read letters received by the school from the Department which stated the application was complete and compliant. Jessica Marsh, Attorney, representing Imagine Schools reported the re-submitted application had changes to the operating agreement and that they never received further comments from Mr. Horton to Mr. McCormack after that. Mr. McCormack explained it was not the Department's responsibility to provide information to the school's attorneys. He added the wording was different in the most recent version of the application.

Member Reid reported the Subcommittee on Charter Schools recommended approval of the Subsection 7 Charter to Imagine School at Las Vegas. She pointed out her concerns regarded their financial information and the fact that there was no representative from the Governing Board at the Subcommittee meeting. The EMO heavily shadows the Governing Board or the interest of the Committee to Form. The application for Imagine School at Las Vegas was the same as the application for Imagine School at Mountain View. She reported the Subcommittee voted two to one in favor of recommending approval of the charter.

Based on Department recommendation and concerns, Member Biggerstaff made the following motion, seconded by Member Gwaltney:

> **That the Nevada State Board of Education deny a Subsection 7 Charter to Imagine School at Las Vegas.**

Discussion followed.

Member Ruggiero explained his problems with the application were the same as the Department's concerns, but that he voted for the Subcommittee to recommend approval of the charter because a list of conditions could be included in the charter. He expressed concern that there was no representative from the Committee to Form at the Subcommittee meeting, as well. He stated he liked the educational model they presented, but he did not like the budget plan or the financial plan.

Member Myers pointed out she had made herself available to discuss issues prior to the meeting and that only Insight School contacted her. She suggested a Governing Board be constructed and in attendance to present the application.

Member Ferry stated he found Department staff to be thorough of their examinations of applications in the past and that there were too many questionable concerns with this application to approve a Subsection 7 Charter.

Member Gwaltney indicated he heard staff say several times that schools that had to be revoked had a weak Governing Board. He suggested Department staff find different terminology other than "complete and compliant" for better clarity. He explained he would not grant a Subsection 7 Charter to a Governing Board that was not in attendance.

Member Frederick stated this was a perfect example of lack of communication. She would like this item to be held in abeyance to the next agenda item. Member Reid pointed out the applicant has thirty days to respond to the Board's decision.

Member Ruggiero requested the applicant receive an exemption from the present moratorium on new charter school applications if their request for a Subsection 7 Charter was denied. Superintendent Rheault pointed out

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the applicant must be granted thirty days to respond after receiving written notice of the denial, as stated in the meeting agenda.

The motion carried unanimously.

Discussion followed that the applicant must be given thirty days to respond to the findings of fact from the Department, but that a time extension could be granted if there was reason to do so.

At 1:50 p.m., President Washington called for a break. At 2:00 p.m., the meeting resumed.

16. Discussion and possible recommendation from Subcommittee on Charter Schools to approve or deny an NRS 376.527 Subsection 7 Charter for the Imagine School at Mountain View Charter School Application

A. The Subcommittee may make recommendations about the completeness and compliance of the application. Although Department reviewers have found the application to be mostly complete and possibly compliant, other concerns about the school have arisen along with serious deficiencies discovered in the proposed contract between the governing body and the EMO, "Imagine Schools". The Committee to Form the School stopped communicating with the Department about October 30, 2007, and did not respond to Department inquiries about continuing issues with the EMO contract. The Subcommittee may make recommendations about whether or not a NRS 376.527 Subsection 7 Charter should be granted and possible conditions related thereto.

The Department recommendation to the Subcommittee was for denial of the application for the following reasons:
1. Department reviewers identified concerns with the proposed Operating Agreement between the charter school and the EMO "Imagine Schools, Inc".
2. The Committee to Form the School did not respond to Department inquiries about conditions in the proposed contract between Imagine School at Mountain View and the EMO, "Imagine Schools".
3. The proposed contract appears to enable the Chief Financial Officer (CFO) to act as a fiduciary advocate for the contractor rather than the school.
4. The proposed contract appears to tie the hands of the governing body into a forced operation with the contractor having powers that remove authority from the governing body.
5. The two year budget submitted by the school as required by NAC 386.180 (4) does not appear to contain realistic expectations or sound and accurate estimates of expenditures for operation in the Clark County market for various reasons. Additionally, the school failed to provide a statement of cash flow as required by the NAC.
6. Past performance of the EMO contractor with One Hundred Academy of Excellence has resulted in serious deficiencies discovered by Department staff in completing State oversight of public schools.
7. Past performance of this EMO contractor with One Hundred Academy of Excellence and its sponsor, Clark County School District, has resulted in serious deficiencies noted in the sponsor's annual review with noncompliance findings in several areas.
8. Past performance of this EMO contractor in other states has resulted in publicly reported deficiencies including debt of the school(s), control of school(s) by the contractor rather than a public entity, and lack of proper control for financial management insuring tax payer dollars are being appropriately spent.

B. Department staff will have the opportunity to present information and evidence similar to that presented to the Subcommittee about the completeness and compliance of the application. Department

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staff will have the opportunity to present information and evidence about whether or not a NRS 376.527 Subsection 7 Charter should be granted and possible conditions related thereto.
C. Representatives of Imagine School at Mountain View will have the opportunity to present information and evidence about the completeness and compliance of the application. Representatives of Imagine School at Las Vegas will have the opportunity to present information and evidence about whether or not a NRS 376.527 Subsection 7 Charter should be granted and possible conditions related thereto.
D. The Board will discuss and possibly make a decision concerning: 1. Whether or not the application is complete and compliant; and, 2. Whether or not a NRS 376.527 Subsection 7 Charter should be granted and possible conditions related thereto. The possible recommendations should be based upon findings of fact (reasons for its decision) and conclusions of law (the decision), separately stated. Findings of fact and recommendations must be based upon substantial evidence presented at the hearing.

If the State Board denies an application, it shall include in the written notice the reasons for the denial and the deficiencies in the application. The applicant must be granted 30 days after receipt of the written notice to correct any deficiencies identified in the written notice and resubmit the application. The State Board findings of fact (reasons for its decision) should be sufficient to provide notice of the reasons for the denial, if denial is the decision.

Gus Flangas, Attorney, representing Imagine Schools, Inc. reported Allison Wallace, Governing Board member, was in attendance. He requested she be allowed to make a statement and to have the issue held in abeyance since issues were similar with Imagine School at Las Vegas.

Allison Wallace, Liaison, Imagine School at Mountain View, provided a brief employment history. She stated the Committee to Form's purpose was to provide a charter school that would provide an educational foundation for grades K-8 with a focus on Math and Science. Deputy Attorney General Irvin pointed out issues relating to the school should be discussed only during a full hearing if an abeyance was being requested at this time.

Shaundell Newsome, Board member, 100 Black Men of Las Vegas, stated he wanted to clear up some items. He stated the 100 Black Men of Las Vegas wanted to make a difference in the education of children in their community. Deputy Attorney General Irvin pointed out again issues relating to the school should be discussed at a later date if an abeyance was being requested.

Member Frederick made the following motion, seconded by Member Myers:

That Item 16 be held in abeyance and be agendized for the next meeting.

Member Myers requested that other schools not be referenced during discussion for this item at the next meeting because other schools have been approved by Clark County and not the State Board.

The motion carried with one opposition from Member Ferry.

17. Discussion on process and scheduling of the Superintendent's Evaluation

Deputy Attorney General Irvin pointed out the evaluation could no longer be done in closed session, according to the Legislature. Member Myers requested a copy of the strategic plan be sent to Board members before the next meeting. Member Biggerstaff stressed the importance of having specific guidelines. Deputy Attorney General Irvin stated standing rules could be amended to assist future Boards. Member Ferry stated the Board

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should keep in mind that there should be a difference in the contract year and other years. Evaluations were completed during interim years, but they were not as comprehensive.

18. Board Member comments

Member Ferry commented on Utah's on-line program audit as presented at the WestEd meeting. He suggested a possible change in the meeting schedule because of the financial impact with having meetings held on Friday and Saturday. He requested staff provide information regarding Department costs when attending meetings on Friday and Saturday.

Member Reid suggested time limits be placed on presentations to make meetings more efficient. She stated Bonnie Parnell was available to discuss how to run future meetings more efficiently.

Member Biggerstaff stated she would like to ask Glenn Moses to make a presentation regarding students and I-pods. She requested clarification that charter school applications were required to have business plans. Jim Wells, Deputy Superintendent, Fiscal Services, stated that was being considered. He stated he also liked Member Gwaltney's suggestion of new terminology other than "complete and complaint". Member Biggerstaff asked if there was a District 18 for charter schools. Superintendent Rheault stated there may be a Bill draft for a District 18 for charter schools. Member Biggerstaff requested a review of the State Board from Department staff.

Member Myers suggested meetings be held at 3:30 p.m. in order for teachers to be present. She stated all individuals should be allowed to speak before an issue is reviewed by the Board to improve meeting efficiency. She expressed concern that Board members were not clear on the Subsection 7 Charter at the Subcommittee on Charter Schools meeting. She stated Board members should not attempt to make motions during public hearings or workshops. Discussion followed about time limits on presentations and providing public comment request cards before speaking.

Member Frederick reported the first American Indian/Alaskan Native Education Summit was held on March 25 and 26, 2008. The meeting discussed the development of an action plan to close the achievement gap. She commented on the various agencies and tribe representatives that were in attendance.

Member Gwaltney stated he wanted to appoint Member Ferry as secretary of the Governance Committee and requested that a phone meeting be held Tuesday or Friday before the meeting. He stated he would like the retreat to focus on the minority gap. He applauded Member Biggerstaff for suggesting that the Board be better "gate keepers" on charters. He stated he was not sure if he would re-file for the Board.

President Washington announced Member Ruggiero had to leave and had requested that it be agendized for the next meeting his attendance at the July NASBE New Membership Conference. She reported she would attend the African-American NASBE Summit regarding increased awareness of AIDS among the African-American community on May 28-30, 2008 at no cost to the State. She requested information regarding the lawsuit against the State Board. Deputy Attorney General Irvin reported document copies have been sent to Board members, but nothing has been filed on behalf of the State. The first pleadings had to do with technicalities. He clarified Board members were not being sued, but judicial review was being requested of the Board's action. Member Myers requested copies of all responses regarding the lawsuit. Deputy Attorney General Irvin clarified not all communication with lawyers would be provided to the Board. He reported an administrative record was being prepared for a possible request for judicial review.

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19. Future agenda items

Doris Arnold reviewed agenda items for the next meeting. Member Biggerstaff requested a committee be appointed to review standing rules and procedures at the next meeting.

20. Public comments

Dr. Dotty Merrill, Executive Director, NASB, thanked Department staff for their efforts. She stated she would provide documents regarding how to handle public comment portions of meetings and how to run meetings more efficiently. NASB held their first training for School Boards on March 26, 2008. There would be more training on Robert's Rules on November 14, 2008. She invited Board members to attend.

President Washington announced the next meeting was scheduled for June 13 and 14, 2008 in Las Vegas. Superintendent Rheault reported he would provide information on a final location for the meeting.

21. Adjournment

The Nevada State Board of Education meeting was adjourned at 3:15 p.m.

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