



Part B—Progress Report

(A report on the progress of meeting the academic performance, financial compliance and governance responsibilities of the charter school, including achieving the goals, objectives, student performance outcomes, state standards of excellence and other terms of the charter contract, including the accountability requirements set forth in the Assessment and Accountability Act during the Current Charter Term)

1. Academic Performance

The Charter School Act provides as follows:

A charter may be suspended, revoked, or not renewed by the chartering authority if the chartering authority determines that the charter school... failed to meet or make substantial progress toward achievement of the department's standards of excellence or student performance standards identified in the charter contract.

a. Department's Standards of Excellence – A-F Letter Grades

The Public Education Department, pursuant to NMSA 22-2E-1, et seq., annually assign a letter grade of A, B, C, D or F to each public school pursuant to criteria established by department rules. In addition, pursuant to NMSA 22-2E-4(D) and (F), it has been established that a letter grade of D or F does not meet the standards of excellence. To meet an acceptable level of performance, a school must earn a grade of C or better for two consecutive years. NMSA 22-2E-45(E).

For any school that has not maintained a C or better letter grade in each year of the term of the contract, or that has received a D or F in any indicator of the letter grade in the past two years, provide a narrative that describes the improvement actions targeted to improve the school's letter grade (school/adult/leader/teacher actions) and the success of those actions (student academic successes/improved outcomes). The purpose of the narrative is to demonstrate substantial progress toward achieving and maintaining a C or higher letter grade.

Implementation of the described improvement actions should be verifiable through documented evidence at the site visit. **Please identify specific evidence of both the school/adult/leader/teacher actions and the student academic successes/improved outcomes in the narrative.**

The narrative should reference performance data that can be reviewed and verified either during the site visit or during the "desk audit" review of the application. If providing data, please attach in an appendix and reference the appendix by name in the narrative.

Schools that have maintained a C or better letter grade over the term of the contract AND have not received a D or F in any indicator of the letter grade in the past two years do NOT complete this Section.

School response:

Southwest Aeronautics Mathematics and Science Academy (SAMS) has maintained a C or above average since opening in 2012. The following table displays final grades earned each year.

Final School Grades					
2013	2014	2015	2016	2017	2018
A	A	B	C	B	C

The SAMS current charter contract term is from July 1, 2017 through June 30, 2019; therefore, we are addressing the 2018 School Grading Report Card which represents our performance for 2017-18, the first year of the contract.

SAMS received a 2018 final overall grade of C. (See Appendix G) Two indicators received grades of D (Current Standing and School Improvement) and one indicator received a grade of F (Improvement of Lowest-Performing Students).

In the spring of 2018, we knew with our short term assessments that our lowest performing students were struggling. We immediately started taking the following actions to develop a plan to target improvement for our students. An assistant principal was hired that could look and analyze data. With his help we put a new system in place over the summer. Here is what we put in place for the fall:

- Academic Absences
- Parent Conferences
- PLC's that are grouped by grade level as well as Sponsor Teachers
- iReady
- Success Lab
- Intervention software
- NM DASH
- Principals Pursuing Excellence

Action Taken:

Academic Absences: This is our first year implementing this process; every Sunday evening data is run to show which students have not completed their percent of coursework for the previous week and a warning is sent out. If they are still behind the following week, an Academic Absence is given. The third week an academic absence is given and their sponsor teacher is to immediately meet with the student and a parent(s) to discuss a Student Success Contract. This plan maps out for the student how many activities they are to work on each day to get back on track. Our focus is to first find areas the student needs support in, then to help them maintain their coursework, stay on track, and to prepare them for the PARCC assessment in the spring.

Parent Conferences: This is our first year that we have integrated Parent Conferences into our school calendar. During registration in August, Sponsor Teachers met with parents and students but this year we

have added three different times during the year in which sponsor teachers will meet with their students and parents to discuss their student's progress. Our conferences are scheduled October 8 – 10th, January 8 and 9th and March 28th and 29th.

Professional Learning Communities: This year we restructured our PLC's by grade level. Each PLC is focused on their grade level and each team includes a special education representative and a S.A.T./504 coordinator. Instead of meeting once a month they will meet every two weeks. They will be looking at student data, discuss Student Success Contract, and communicating student needs. The intent is to solely focus on student achievement.

iReady: This is our first year using iReady as our short term assessment. We switched from STAR assessment to iReady because it is more comprehensive, pinpoints the gaps in a student's learning and gives extensive resources for helping the student. We tested the week of August 20th and will test again during the weeks of January 14th and the week of May 6th.

Success Lab: We have taken our PARCC scores from the spring of 2018 and our recent iReady assessment data and implemented a program called Success Lab. Success Lab is a mandatory lab for students that scored low, either a 1 or a 2 on PARCC or two or more grade levels behind in reading and/or math on iReady. A regular education math and ELA teacher rotate into the Lab to provide a more blended learning environment to the students by using: whole group instruction, individualized instruction and content-specific Edgenuity time. They will be working in the areas that students scored low in and using the iReady recommendations to drive the lessons. Our focus is to raise students' reading and math skills.

Intervention Software: We have taken our intervention software, Ascend Math and Mind Play Reading, and restructured it to play a more active role during the individualized time in Success Lab.

NM DASH / Principals Pursuing Excellence Program (PPE): Our school principal is in her second year of the PPE program which helps the core leadership team focus on the areas our school is needing. This program has guided us to effectively find new systems for our school to help our students succeed. Last year in NM DASH, our focus areas were Observation and Feedback, Tier I (Core) Intervention and School Leadership and Systems (See Appendix F). This year our focus areas are Data Driven Instruction and School Culture. The Core Team believes the new systems put in place are changing the school culture to dig deep into the data so decisions can be made in regards to student achievement

Evidence: Appendix F (Schedule of Success Lab, iReady, Student Success Contract and 2018/19 NM DASH)

Expected Success of Action: Expand student capacity in academics by observing participation and engagement and increase points in school report card.

Evidence demonstrating expected Success: 2019 Report Card

b. School Specific Charter Goals

Pursuant to NMCA 22-8B-9.1, each charter school authorizer must allow for the inclusion of additional rigorous, valid and reliable indicators proposed by a charter school in each school's performance framework to augment external evaluations of its performance, provided that the chartering authority approves the quality and rigor of the indicators and the indicators are consistent with the purposes of the Charter Schools Act.

All applicants must report on each school specific charter goal that is included in the school's performance framework. Applicants must provide a summary analysis of their performance on each goal in over the term of the contract. This analysis must state, for each year of the contract, whether the goal was met and must include longitudinal data that can show the progress of the school over the contract term. For each goal, the applicant should provide a visual representation of the longitudinal data.

For any applicant that did not meet all of their goals in each year of the contract term, provide a narrative that addresses the improvement actions (school/adult/leader/teacher actions) targeted to improve the school's performance on that school specific goal and the success of those actions (student academic successes/improved outcomes). The purpose of the narrative is to demonstrate substantial progress toward achieving and maintaining sufficient performance on the school specific goal. The narrative should only address a goal that was not met in each year of the contract term.

Implementation of the described improvement actions should be verifiable through documented evidence at the site visit. **Please identify specific evidence of both the school/adult/leader/teacher actions and the student academic successes/improved outcomes in the narrative.**

The narrative should reference performance data that can be reviewed and verified either during the site visit or during the "desk audit" review of the application. If providing data, please attach in an appendix and reference the appendix by name in the narrative.

Schools that have met all of their school specific goals in each year of the contract term do NOT provide a narrative.

School response:

SAMS entered into a temporary contract with the Public Education Commission (PEC) under NMSA 22-8B-9(A) on June 15, 2017 and to date has not negotiated specific charter goals for both the 2017-18 and 2018-19 school years as typically contained within the performance framework.

2. Financial Compliance

The Charter School Act provides as follows:

A charter may be suspended, revoked, or not renewed by the chartering authority if the chartering authority determines that the charter school...failed to meet generally accepted standards of fiscal management.

a. Audit

Every charter school is subject to the Audit Act. NMSA22-8B-4(C). The Public School Finance Act requires the audit committee of each charter school governing body to track and report progress on the status of the most recent audit findings and advise the local school board on policy changes needed to address audit findings.

For any school that has received material weakness, significant deficiency, or repeat audit findings in any annual audit during the term of the contract provide a narrative explaining the improvement actions made (school/adult/leader/board actions) to meet financial compliance requirements and the effectiveness of those actions (improved practices and outcomes) in improving financial compliance. The school should use the work of the audit committee in "tracking and reporting progress on the status of audit findings" to develop this narrative.

Success should be identified by specific changes in practice and changes in the audit findings in subsequent years. The purpose of the narrative is to demonstrate substantial progress toward achieving and maintaining financial compliance.

Implementation of the described improvement actions should be verifiable through evidence at the site visit. **Please identify specific evidence of both the school/adult/leader/board actions and the improved practices and outcomes in the narrative.**

Schools that have received no material weakness, significant deficiency, or repeat audit findings in each of the annual audits during the term of the contract do NOT complete this Section.

School response: The audit findings were during the time we were under corrective action. The Vigil Group was assigned over our finances by PED.

Audit Year	Nature of Finding	Improvement actions made to meet financial compliance requirements and the effectiveness of those actions in improving financial compliance
FY 17	<p>2016-003 Controls Over Cash Disbursements (Significant Deficiency) Repeated and Modified</p> <p><i>Condition:</i> In 2 out of 25 disbursements tested, the purchase order was dated after the invoice date, indicating that the purchase was not properly approved before it was made. The amount of the 2 disbursements noted equals \$607.75.</p> <p>Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”</p> <p>Auditor’s Note: The school has been making progress, new policies were drafted at the end of FY17.</p> <p>Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order of goods, series or construction.”</p> <p>Effect: Without proper approval, purchases for unauthorized goods or series may occur.</p>	<p>Improvement Action: In addition to the Auditor’s Recommendation (see bottom of page) the following was put into place:</p> <ul style="list-style-type: none"> ➤ developed a detailed financial policies and procedures manual. ➤ A vendor contract review sheet was implemented. Each contract must be reviewed with a check list before the contract is signed. ➤ At our March 16, 2018 Staff Meeting and at our July 30th In-service the Business Manager talked about the procedures of a request for purchase. She also had them sign an agreement of understanding that if they make a school purchase, without a PO,

	<p>Cause: processes and procedures in place were by-passed by those involved in the purchasing process.</p> <p>Auditor's Recommendation: We recommend the School strengthen internal controls over purchasing procedures to ensure that all purchases are approved in accordance with School policies and procedures. Goods and/or services should not be ordered until all required authorizing signatures are obtained.</p>	<p>they will not be reimbursed.</p> <ul style="list-style-type: none"> ➤ Our Finance Committee meets every month to review our finances. ➤ During our Audit we have an Audit Committee for entrance and exit meetings. ➤ Invited the GC to stop by the school and observe internal controls. <p>Responsible party for corrective action: Business Manager, Head Administrator and GB Council.</p> <p>Specific Evidence: Financial policies and procedures manual, Vendor contract checklist, staff meeting agendas, finance committee records, Audit Committee records and invitation to Governing Council to observe internal controls. Return of board of finance authority letter below, pg. 28 and See Appendix H.</p> <p>Effectiveness of the Improvement Action: On December 18, 2017, our board of finance was given back to us. SAMS was released from corrective action, no repeat finding and anticipating a clean audit in 2018.</p>
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		<p>consultant, The Vigil Group.</p> <ul style="list-style-type: none"> ➤ The Head Administrator reviews and approves prior to presenting it to the prospective employee for their review and execution. <p>Responsible party for corrective action: Business Manager and Timeline for corrective action: January 1, 2018.</p> <p>Specific Evidence of Improvement Actions: Accounting Policies and Procedures Manual updated.</p> <p>Effectiveness of the Improvement Action: Released from corrective action, no repeat finding and anticipating a clean audit in 2018.</p> <p>On December 18, 2017, our board of finance was given back to us. SAMS was released from corrective action, no repeat finding and anticipating a clean audit in 2018.</p> <p>Specific Evidence of Effectiveness: Please see entire letter below and See Appendix H.</p> <p>2018 Audit</p>
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b. Board of Finance

Pursuant to NMSA 22-8-38, failure of the governing body of a state-chartered charter school to qualify for designation as a board of finance constitutes good and just grounds for nonrenewal or revocation of its charter.

Further, pursuant to NMSA 22-8-39, the department may at any time suspend a local school board or governing body of a state-chartered charter school from acting as a board of finance if the department reasonably believes there is mismanagement, improper recording or improper reporting of public school funds under the local school board's or governing body of a state-chartered charter school's control.

When the governing body of a state-chartered charter school is suspended from acting as a board of finance, the department is required to consider commencing proceedings before the commission to revoke or refuse to renew the charter of the state-chartered charter school.

If the school's **Board of Finance was suspended** at any time during the term of the contract, the school must provide a narrative explaining the actions taken (school/adult/leader/board actions) on the school's own initiative to correct financial compliance and regain the Board of Finance Authority and the success of those actions (improved practices and outcomes).

The school must also describe the current status of the Board of Finance and continuing actions to ensure the same financial challenges do not reoccur. Success should be identified by specific changes in practice.

The narrative must be supported by evidence provided in an appendix and verifiable through evidence at the site visit. **Please identify specific evidence of both the school/adult/leader/board actions and the improved practices and outcomes in the narrative.**

Schools that have maintained all Board of Finance authority during the entire term of the contract do NOT complete this Section.

School response:

In 2014, SAMS Academy was put under financial corrective action. PED assigned The Vigil Group as our business managers. The Vigil Group oversaw all internal controls and reported to PED. In 2015, we hired an on-site business manager that worked closely with the Vigil Group. Before Corrective Action, SAMS did have an inconsistent Finance Committee. A Finance Committee was reformed during corrective action and became involved with the internal controls of the school. The Finance Committee includes the Head Administrator, two members of the Governing Council, our on-site Business Manager, and The Vigil Group. They meet on a monthly basis and go over the previous month's financial functions, vouchers, BARS, and financial statement.

Multiple policies have been put in place including our accounting policy manual. Board Members come to our school to observe internal controls.

The following evidence of these actions and policies can be reviewed at the school during the Renewal Site Visit:

- Accounting Policies and Procedures Manual
- Agendas or schedule of meetings

In January of 2018, our financial authority was returned, see letter below. Our 2016/17 audit reported a "Modified" audit. Our on-site business manager, Ronda Joyce, with the Vigil Group continue to work closely in compliance with PED.



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SECRETARY DESIGNATE OF EDUCATION

SUSANA MARTINEZ
GOVERNOR

December 18, 2017

Mr. Larry Kennedy
Governing Board of Education President
Southwest Aeronautics, Mathematics and Science Academy (SAMS)
2438 La Veta, NE
Albuquerque, NM 87110

Dear Mr. Kennedy:

On August 28, 2014, Public Education Secretary Hanna Skandera suspended the Southwest Aeronautics, Mathematics and Science Academy's (SAMS's) Board of Education board of finance authority. I am pleased to inform you that effective January 1, 2018, I am returning board of finance authority to the SAMS Charter School Board.

SAMS finances have improved such that: the Public Education Department (PED) has not implemented any financial improvement actions for a period of six months; all prior financial improvement actions have been completed; the school has a positive cash position and improved the transaction cycles; the school has strengthened its internal controls; the school employs a PED issued Level II licensed school business official and preliminary reports regarding the fiscal year 2017 (FY17) audit indicate few or minor issues when the PED's audit is made public.

The improvement in your school's financial operations is the result of cooperative efforts by both the PED and charter staff over the last three and one half years. Because of their joint diligence, a new financial system is now in place to facilitate appropriate management controls, strengthen board review procedures and improve policy level input regarding district financial activities. Continued progress will require a unified effort by both your board and your charter administration.

During the time PED operated as your fiscal agent, the SAMS Charter School Governing Board continued to exercise its statutorily mandated policy-making and employment roles. These functions positively contributed to the stability of charter operations, and were a necessary precursor to allow work to be completed on financial performance improvement.

Our return of board of finance authority to the SAMS Charter School Governing Board of Education will not diminish our interest in the school's financial activities. The business manager will be required to demonstrate evidence of effectively and efficiently performing at the required level of expertise and shall hold a PED issued Level II Business Manager License. The licensed school business manager is required to report to the Head Administrator and work collaboratively with the school's Finance Committee.

As a result of what had already been accomplished together, it is likely that the financial environment will continue to improve. The PED will continue to work with you as a partner to ensure that the charter school perpetuates the positive gains it has made with its finances and ensure the best environment for educating students.

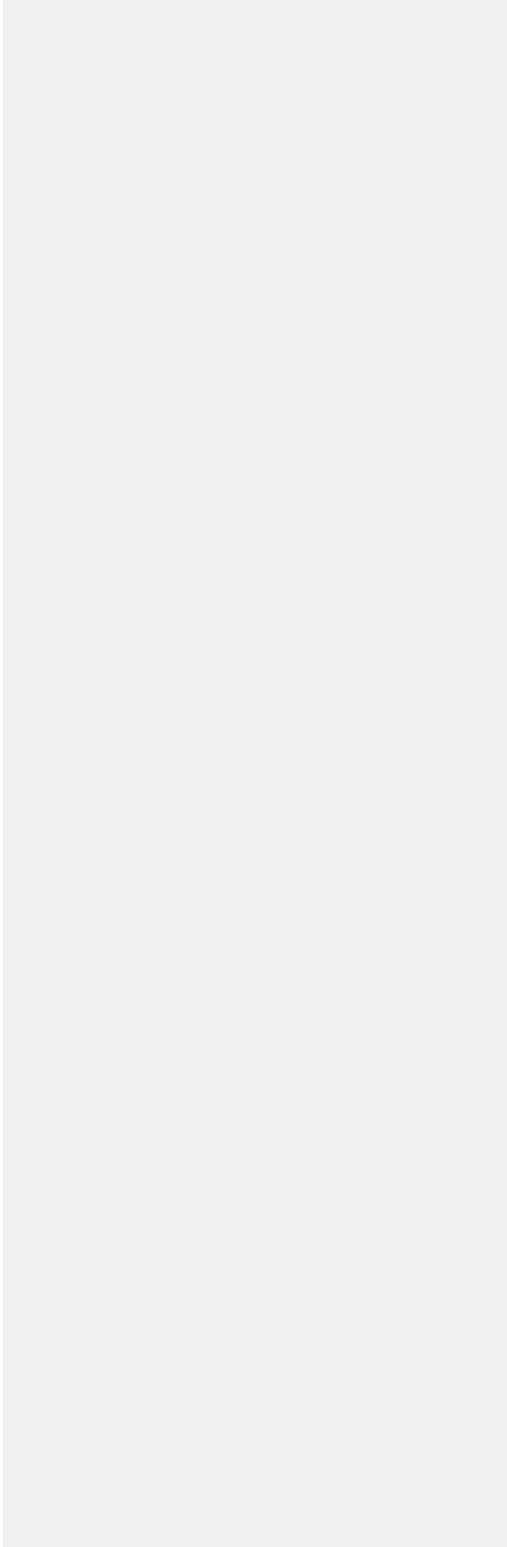
Respectfully,



Christopher N. Ruszkowski
Secretary Designate, NM Public Education Department

CNR/dc

cc: Coreen Carrillo, Interim Head Administrator, SAMS
Sean Fry, Business Manager, SAMS
Marian K. Rael, Acting Deputy Secretary, Finance and Operations, PED
David Craig, Director, School Budget & Finance Analysis Bureau, PED
Pamela Bowker, Deputy Director, School Budget & Finance Analysis Bureau, PED
Vince Vigil, Budget Analyst, School Budget & Finance Analysis Bureau, PED



3. Contractual, Organizational, and Governance Responsibilities

The Charter School Act provides as follows:

A charter may be suspended, revoked, or not renewed by the chartering authority if the chartering authority determines that the charter school...committed a material violation of any of the conditions, standards, or procedures set forth in the charter...*and/or*...violated any provision of law from which the charter school was not specifically exempted.

a. Charter Material Terms*

Pursuant to NMSA 22-8B-9, each charter contract must contain material term of the charter application as determined by the parties to the contract. The PEC's contract identifies all material terms in Article VII., Section 8.01(a)(i)-(xvii) of the Performance Contract.

Each school must provide a brief narrative describing how they have implemented the Material Terms of the Charter including the operational structure, the mission of the school, and the educational program of the school (including student focused terms, teacher focused terms, and parent focused terms).

The narrative will be verified during the site visit.

If the school has made substantial changes or has not met any of the material terms of the contract during the term of the contract, the school **must** provide a narrative to explain the improvement actions (school/adult/leader/board actions) the school made during the term of the contract in order to meet those charter objectives and terms.

Success should be identified by specific changes in practice and achievement of the terms in later years of the charter. The purpose of the narrative is to demonstrate substantial progress toward achieving the material terms of the charter.

Implementation of the described improvement actions should be verifiable through evidence at the site visit. **Please identify specific evidence of both the school/adult/leader/board actions and the improved practices and outcomes in the narrative.**

School response:

SAMS has responded to the material terms of the recently negotiated Contract as identified in Section 4. Representations, Covenants, and Warranties. The Contract was adopted on May 11, 2018 and is retroactively effective as of the 1st day of July 2017.

1. Purpose:

The School shall operate a public school consistent with the terms of the Charter and the Contract, and all applicable laws; shall achieve student outcomes according to the educational standards established by law, this Charter and Contract; and shall be governed and managed in a financially prudent manner.

Southwest Aeronautics Mathematics and Science Academy follows the conditions of the Charter and the Contract and all laws pertaining; focusing on student achievement stated by law, this Charter and Contract, and shall be overseen and controlled in a financially discreet manner.

2. Mission:

The Charter School shall implement the mission identified below and shall report on the implementation of that mission in the manner described below.

i. The mission of the Southwest Aeronautics, Mathematics and Science Academy is to prepare students in grades 7-12 in an integrative STEM 21st century educational environment which offers a unique option in aeronautics. Students will be competent in the reading, writing, mathematics, science, technology and problem-solving skills necessary for success in post-secondary education, high-tech, or aviation related careers.

ii. The Charter School shall report on the implementation of its mission in the following manner:

- a. Annually during the performance review visit required by the Act, as evaluated through the site visit team's observations and the school's response to any such observations;
- b. Annually through any mission specific goals identified in the School's Performance Framework, Attachment A, incorporated herein by reference; and
- c. At renewal, in the event that the School applies to the Commission for renewal, through a narrative in the renewal application.

Southwest Aeronautics Mathematics and Science Academy, SAMS Academy, meets our mission by implementing an on-line (21st century curriculum). This covers our core curriculum of ELA, Math, Science, Writing, Social Studies, and other electives. We also have a hands-on lab, SMART Lab, in which students can work together to present and create projects related to STEAM standards (S: Science, T: Technology, E: Engineering, A: Art and M: Mathematics).

3. Enrollment Cap and Authorized Grade Levels:

The School is authorized to serve no more than 500 students in grades 7-12.

- i. The School may make modifications as to the number of students in any particular grade, and number of students within a class to accommodate staffing decisions that are consistent with the School's programmatic needs; except that, nothing in this Contract shall give the School the authority to combine students from different grade levels into the same classroom unless the school's educational program explicitly provides for mixed grade or age education.
- ii. The School must annually, prior to beginning the annual enrollment process, establish the number of vacancies by grade level available for student enrollment in that year. That number will govern the enrollment throughout the school year.
- iii. The School may not exceed the building capacity of the facility, which is 400.

We have not exceeded capacity. Our enrollment is currently at 275. Our current enrollment is based on our facility and structure of our program. In our Physical Education classes and in our SMART Lab, students are placed by grade level. In the Main Lab, students are mixed grade levels because our on-line program, Edgenuity, allows for that.

Through our lottery enrollment system, students are randomly drawn. In March of every year, our lottery process begins for the upcoming fall. We fill all vacant spots up to 400. The remaining students are placed on a waiting list and drawn when a space becomes vacant.

4. Comprehensive Educational Program of the School:

The School's educational program shall be as described below:

- i. All students complete their core curriculum in computer labs using Edgenuity.
- ii. The school offers a Support Lab for students who are not at grade level in reading and math.
- iii. The school offers a STEAM lab where students perform collaborative, hand-on group work in science, math, art, engineering and technology; the course is a required course for students in grades 7-9.
- iv. The school offers an aviation program to students in grades 9-12, which includes coursework, ground school, and flight school including simulator and aircraft training. Some of the aviation program classes are dual-enrollment.
- v. The school offers dual enrollment courses.

Our core online curriculum is called Edgenuity. Our staff of content teachers are in the Main Lab assisting and monitoring student progress. Our Success Lab, formally Support Lab, is a classroom/lab in which

students must attend if they scored low on their PARCC and/or iReady assessment. Success Lab is a blended learning environment in which content teachers lead a lesson, discussion, group work and one-to-one assistance is a smaller environment. Each session of Success Lab targets different grade levels in math and ELA only.

SMART lab gives students an opportunity to work collaboratively in hands-on projects focusing of science, technology, engineering, art and mathematics (STEAM). While students in grades 7 – 9 are required to take SMART Lab, students often in grades 10 – 12 request taking this course.

SAMS Aviation program is an elective class that prepares students in the aviation industry. Students start the program by attending the ground school. They can also take dual-enrollment courses through Eastern New Mexico in Roswell. After ground school, students train in a full motion Red Bird simulator. After passing the FAA written exam, students begin their flight training. With dedication and focus students can potentially graduate with their private pilot's license. After graduation many students go on and pursue post-secondary education or careers in aviation.

SAMS Academy offers dual enrollment courses in grades 10 – 12th through CNM and UNM. Our dual enrollment coordinator works with individual students and monitors their progress.

5. Governance:

- ii. The School's Governing Body shall have at least five members at all times; the exact number of Governing Body Members shall be specified in the bylaws.
- iii. The School shall notify the Commission of all changes in membership within 30 days of the change.
- iv. The Charter School shall replace any member who is removed or who resigns within 45 days of such removal or resignation.
- v. No member of the Governing Body shall serve on the governing body of another charter school, unless the School has been granted a discretionary waiver from the Secretary.
- vi. All governing body members shall comply with training requirements established in Section 6.80.5 NMAC, as amended.
- vii. The School shall notify the Commission within 15 days of any and all allegations of, or convictions for, inappropriate contact with a student or other minor by a member of the Governing Body, and shall notify the Commission within 15 days of allegations of, or convictions for, any crime related to the misappropriation of school funds or theft of school property by a member of the Governing Body.
- viii. The members of the Governing Body have a duty to comply with the provisions of this Contract, all applicable laws, including, without limitation, the Act, all regulations, and reporting requirements.

ix. The Governing Body is responsible for the policy decisions of the School; is responsible for hiring, overseeing, and terminating the Head Administrator of the School; and is entrusted with oversight of expenditure of public funds in accordance with all applicable laws, regulations and rules, including but without limitation any laws or rules pertaining to conflicts of interest, public school finance, and procurement.

x. The Governing Body shall, at all times, be qualified to act as a qualified board of finance as demonstrated in Attachment C, which is incorporated by reference.

xi. In order to initially become qualified as a board of finance, the school shall provide:

- a. The names, home addresses, personal email addresses, and personal phone numbers of each of the board;
- b. A statement signed by every member of the Governing Body stating that the Governing Body agrees to consult with the Department on any matter not covered by the manual of accounting and budgeting before taking any action relating to the funds held as a board of finance;
- c. A signed affidavit from each member of the Governing Body member declaring that the member is not a member of the governing body of any other charter school, unless it has been granted a waiver by the Secretary for that purpose, and that the member was not a governing body member of another charter school that was suspended and was not reinstated, or failed to receive or maintain its board of finance designation; and
- d. An affidavit or affidavits, signed by the School's licensed business official who will be given the responsibility of keeping the financial records of the School, describing the training completed, professional licensure held and degrees earned by him or her;
- e. A copy of a certificate of insurance that indicates that the person who will be entrusted with handling the funds of the School is adequately bonded.

xi. Within 30 days of the change to any member of the Governing Body or the School's licensed business official who will be given the responsibility of keeping the financial records of the charter school, the school shall resubmit all information required in Section 4. Subsection 5.xi(a)-(e) above, revised to reflect the changes in staffing or board membership.

xii. If at any time, the School's qualification as a board of finance is revoked by the Department, the Commission shall, at its next regularly scheduled meeting, consider whether to commence revocation proceedings to revoke the School's Charter. If the Commission decides not to revoke the charter, the School shall be required to develop and successfully implement a Corrective Action Plan to address the conditions and causes of the revocation of the School's qualifications as a board of finance.

SAMS Academy has complied with the above requirements as stated in the contract.

6. Operation:

- i. The School shall be nonsectarian in its charter school programs, admission policies and employment practices and all other operations. Attachment D, incorporated herein by reference, states the School's admission policies and procedures.
- ii. The School shall comply with all federal and state laws relating to the education of children with disabilities.
- iii. The School shall comply with applicable federal, state and local rules, regulations and statutes relating to health, safety, civil rights and insurance.
- iv. The School shall, in accordance with the Compulsory School Attendance Act, maintain records to document daily student attendance and shall make such records available for inspection upon request of the Commission and the Department. The School shall comply with the number of overall instructional hours required by statute, based on the grade levels served, which may be verified through budget reporting.
- v. The School shall maintain student records in accordance with all other New Mexico public records retention requirements.
- vi. The School shall allow the Commission and the Department to visit each school site at any reasonable time.
- vii. The School shall allow the Commission and the Department to conduct financial, program or compliance audits and shall hold open for inspection all records, documents and files relating to any activity or program provided by the School relating to the School. All books, accounts, reports, files and other records relating to this Charter and Contract shall be subject, during normal business hours, to inspection and audit by the State for five years after termination of the Charter and the Contract.
- viii. The School shall notify the Commission and the Department within 15 days of the allegations of, or convictions for, inappropriate contact with a student or other minor by any staff member, employee, or contractor and shall notify the Commission within 15 days of allegations of, or convictions for, any crime related to the misappropriation of school funds or theft of school property by any staff member.
- ix. If the School receives federal grant funds that flow through the Department, the School shall timely submit financial and other reports required by the Department for the School's receipt of such funds.
- x. The School shall comply with applicable federal, state and local rules, regulations and statutes relating to public education unless the School is specifically exempted from the provision of law. All members of the Governing Body shall sign a certificate, in the form attached hereto as Attachment E, certifying their compliance with all federal and state laws governing the organizational, programmatic, and financial requirements applicable to charter schools. Within 30 days of any change to the membership of the

Commented [A1]: The school will provide revised policies and processes prior to June 5th

Commented [A2]:

Governing Body, the School shall provide a signed certification from any new members in the form of Attachment E, which will be incorporated into this Contract.

xi. The School shall identify the non-discretionary waivers the School is utilizing and the discretionary waivers the School has requested from the Secretary in Attachment F, incorporated herein by reference.

a. If the school requests from, and is granted a discretionary waiver by the Secretary at any point during the Term, the School shall file a notification within 30 days of approval from the Secretary with the Commission to amend the Contract to reflect such waiver.

b. If the School begins making use of any additional non-discretionary waivers at any point during the charter term, the School shall file a notification within 30 days of first use of the waiver with the Commission to amend the contract to reflect the use of such non-discretionary waiver.

SAMS Academy has complied with the above requirements as stated in the contract.

7. Use of Volunteers:

The School covenants and represents that all volunteers it allows access to its students or the Facility will comply with state regulations regarding the use of volunteers set out in Section 6.50.18 NMAC.

All volunteers or visitors check in with our ScholarChip system. The system does an immediate background check on volunteers or visitors using their driver's license scanning for sex offenders.

8. Background Checks:

The School shall comply with the requirements of Section 22-10A-5 NMAC 1978, relating to background checks for all staff, instructors, and volunteers, in whatever capacity, working with its students or at the Facility.

i. The School shall develop and implement policies and procedures to require background checks on an applicant who has been offered employment, and for all volunteers, contractors and contractor's employees with unsupervised access to students at the public school. The School shall comply with the Criminal Offender Employment Act.

All employees must have a background check before working at SAMS Academy. All copies of background checks are kept in the personnel files in the Business Manager's Office.

ii. The Head Administrator of the School shall report to the Department any known conviction of a felony or misdemeanor involving moral turpitude of a licensed or certified school employee.

iii. The Head Administrator of the School or their respective designees shall investigate all allegations of ethical misconduct about any licensed or certified school employee who resigns, is being discharged or terminated or otherwise leaves employment after an allegation has been made, or incident occurs If the

Commented [A3]: The school will complete by the 1st

investigation results in a finding of wrongdoing, the Head Administrator of the School shall report the identity of the licensed or certified school employee and attendant circumstances of the ethical misconduct on a standardized form to the Department and the licensed or certified school employee within thirty days following the separation from employment. No agreement between a departing licensed or certified school employee and the School shall diminish or eliminate the responsibility of investigating and reporting the alleged ethical misconduct, and any such provision or agreement to the contrary is void and unenforceable.

9. Sites:

The School shall comply with the requirements of Section 22-10A-5 NMAC 1978, relating to background checks for all staff, instructors, and volunteers, in whatever capacity, working with its students or at the Facility.

Southwest Aeronautics, Mathematics and Science Academy (7-12)
4100 Aerospace Parkway NM
Albuquerque, NM 87120

The School shall ensure the Facilities meet the charter school facilities standards in Section 22-8B-4.2(A, C, D) NMSA 1978, and shall ensure that the facilities comply with all applicable federal, state and local health and safety standards and other applicable laws, regulations and rules. The School shall provide the Lease(s) or Lease Purchase Agreement(s) for all facilities, which is attached to this contract as Attachment G incorporated herein by reference. (Appendix E)

SAMS has complied with all the requirements of the "Sites" section.

*** All schools must provide a response for this section of the application.**

b. Organizational Performance Framework

Pursuant to NMCA 22-8B-9.1, the performance framework for each charter school must include performance indicators and performance targets for governing body performance, including compliance with all applicable laws, rules and terms of the charter contract.

For any school that has received a repeated “working to meet” rating or a first time or repeat “falls far below rating” for one or more of the organizational performance framework indicators on the most recently completed organizational performance framework evaluation provide a narrative explaining the improvement actions made (school/adult/leader/board actions) to meet all legal compliance requirements and the effectiveness of those actions (improved practices and outcomes) in improving organizational performance and compliance.

The purpose of the narrative is to demonstrate substantial progress toward achieving and maintaining organizational performance and compliance.

Implementation of the described improvement actions should be verifiable through evidence at the site visit. **Please identify specific evidence of both the school/adult/leader/board actions and the improved practices and outcomes in the narrative.**

If the school has received any OCR complaints or formal special education complaints, the school must identify those, provide all communications (redacted to protect PII) related to those complaints in an appendix, and describe the current status of the complaint. **If any of those complaints have been resolved and resulted in a finding that the school violated any law**, the school must provide a narrative describing the required compensatory and corrective actions required and their status in implementing those actions. The implementation of such actions must be verifiable through evidence during the site visit.

Schools that do not have any repeated “working to meet” ratings or any “falls far below” ratings on the most recent organizational performance framework evaluation do NOT complete this Section.

School response:

III-A.04 Educational Plan (Working to Meet Standard)

The school provided the requested evidence regarding the annual parent notification letter for English Learners and, as a result, has instituted remedies that have resulted in compliance or prompt and sufficient movement towards compliance with the law.

Improvement Actions: We hired an EL Coordinator and has her TESOL endorsement. Letters were sent out from our EL coordinator to communicate last year's ACCESS 2.0 and support services for this year.

Evidence of Improvement Actions: Letters sent out, students are receiving continual support and a new coordinator.

Effectiveness of Improvement Action: Students feel supported and improvement on ACCESS scores.

Evidence of Effectiveness: Students feel supported and receive higher scores on ACCESS.

III-A.06 Educational Plan (Working to Meet Standard)

The school's recurrent enrollment for the 2017-18 school year was 79.81%. This indicates that school has not met the goal set by the PEC in the Organizational Performance Framework but exceeds 50%.

Improvement Actions: We have put a system in place to help students finish their coursework and be successful. Students were dis-enrolling because they were not finishing their courses and feeling unsuccessful. We have put more supports in place (Success Lab, Parent/Teacher Conferences, Grade Level PLC's, Grade Level Sponsor teachers, Academic Absences, hired another ELA teacher and Math tutor, and additional SPED teacher) to encourage students to stay at our school and feel successful.

Evidence of Improvement Actions: Course completion, graduation rate, Success Lab and Parent Conferences and weekly data of student progress.

Effectiveness of Improvement Action: Parents are happy we are addressing course completion and students are feeling successful and supported.

Evidence of Effectiveness: Student turn-over will decrease, course completion and higher graduation rate

IV-A.00 Business Management and Oversight (Falls Far Below Standard)

In 2 out of 25 disbursements tested, the purchase order was dated after the invoice date, indicating that the purchase was not properly approved before it was made. The amount of the 2 disbursements noted equals \$607.75.

Improvement Action: In addition to the Auditor's Recommendation (see bottom of page) the following was put into place:

- developed a detailed financial policies and procedures manual.
- A vendor contract review sheet was implemented. Each contract must be reviewed with a check list before the contract is signed.
- At our March 16, 2018 Staff Meeting and at our July 30th In-service the Business Manager talked about the procedures of a request for purchase. She also had them sign an agreement of understanding that if they make a school purchase, without a PO, they will not be reimbursed.
- Our Finance Committee meets every month to review our finances.
- During our Audit we have an Audit Committee for entrance and exit meetings.
- Invited the GC to stop by the school and observe internal controls.

Responsible party for corrective action: Business Manager, Head Administrator and GB Council.

Specific Evidence: Financial policies and procedures manual, Vendor contract checklist, staff meeting agendas, finance committee records, Audit Committee records and invitation to Governing Council to observe internal controls. Return of board of finance authority letter below, pg. 28 and See Appendix H.

Effectiveness of the Improvement Action: On December 18, 2017, our board of finance was given back to us. SAMS was released from corrective action, no repeat finding and anticipating a clean audit in 2018.

Specific Evidence of Effectiveness:

See Appendix H.

2018 Audit.

IV-A.01 Business Management and Oversight (Fall Far Below Standard)

We tested thirty payroll transactions and noted one instance where the employee's contract stated a particular number of installments over which their contract would be paid, but the employee's contract was paid out over a different number of installments. In this case, the correct contract was paid, but the number of installments noted in the employee contract did not correspond to the number of payments made to the employee.

Improvement Action: In the continued effort to ensure that employees were being properly recorded, reported, and paid by their respective employer, employee contracts were adjusted at the beginning of FY2017. The employee's contract in question, number of paid periods, was not amended to reflect periods that had already passed. This employee received their full and accurate salary for FY2017, and management wants it noted that the finding on this was due to a clerical typo on two single characters of a four-page document.

- The On-Site Business Manager creates all contracts using transcripts, license, verified previous work experience, approved school calendar and approved salary schedules.
- The contract is reviewed by the contracted Business Management consultant, The Vigil Group.
- The Head Administrator reviews and approves prior to presenting it to the prospective employee for their review and execution.

Responsible party for corrective action: Business Manager and Timeline for corrective action: January 1, 2018.

Specific Evidence of Improvement Actions: Accounting Policies and Procedures Manual updated.

Effectiveness of the Improvement Action: Released from corrective action, no repeat finding and anticipating a clean audit in 2018.

On December 18, 2017, our board of finance was given back to us. SAMS was released from corrective action, no repeat finding and anticipating a clean audit in 2018.

Specific Evidence of Effectiveness:

See letter in Appendix H.

2018 Audit

c. Governance Responsibilities*

Pursuant to NMSA 22-8B-4, each charter school must, at all times, have at least five members and no members may serve on any other charter school governing body. Further, the governing bodies must operate in accordance with their charter contract and bylaws. The PEC's performance contract requires that the PEC is notified of board vacancies within 30 days, and that vacancies are filled within 45 days.

Additionally, pursuant to NMSA 22-8-12.3, Boards must maintain audit and finance committees that meet statutory makeup requirements.

Further, pursuant to NMAC 6.80.4.20, each charter school governing body member must annually complete five hours of approved training.

Finally, governing body members are held to the conflict of interest requirements laid out in NMSA 22-8B-5.2.

Each school must identify how they have met governance responsibilities during the term of the contract. Specifically, the school must identify:

- the membership of their boards at all times during the term of the contract (with roles and service terms for all members) this should also include membership of the required committees;
- any time when membership on the governing body fell below the requirements in their by-laws or the statutory minimum of 5 members;
- any time when the governing body did not maintain the required committee membership;
- the amount of time any vacancies were open;
- any board members that did not complete required training hours in any of the years of the contract term.

If the school identified any governance requirements they were unable to meet, the school must provide a narrative describing the improvement actions the school implemented to move toward full compliance with governance responsibilities.

The purpose of the narrative is to demonstrate substantial progress toward meeting all governance requirements.

Members 2017 – 2018	Role(s)	Service Term Begin Date	Service Term End Date	Committee Membership
Larry Kennedy	President	October 4, 2011	Present	Finance & Audit Committee
Farrah Nickerson	Vice-President	July 26, 2016	Present	
Roland Dewing	Member	January 26, 2016	Present	Finance Committee
Tiffany Roth	Member	January 19, 2017	Present	
LyDawn Blount	Member	July 26, 2016	Present	Audit Committee
Ed Smith	Member	August 17, 2017	Present	
Members 2018 – 2019	Role(s)	Service Term Begin Date	Service Term End Date	Committee Membership
Larry Kennedy	President	October 4, 2011	Present	Finance & Audit Committee
Farrah Nickerson	Vice President	July 26, 2016	Present	
Roland Dewing	Member	January 26, 2016	Present	Finance Committee
Tiffany Roth	Member	January 19, 2017	Present	
LyDawn Blount	Member	July 26, 2016	Present	Audit Committee
Ed Smith	Member	August 17, 2017	Present	

At no time did the Governing Board fall below the five members. The Governing Council maintained the required committee membership. At no time did the Governing Council have any vacancies. We did have one Governing Board member, Ed Smith, not meet his 10 hours that are required for training. He did, however, complete the remediation training, 3 hours, on August 22, 2018. All Governing Board documents are in Appendix I.

The implementation of such actions must be verifiable through evidence during the site visit.

*** All schools must provide a response for this section of the application.**